

CENTRAL GOVERNMENT

FINANCE ACCOUNTS

1943-44

AND THE

AUDIT REPORT

1945



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TABLE OF CONTENTS.

	Reference to	
	Paras.	Pages.
Certificate of the Auditor General of India	1
A.—GENERAL FINANCE ACCOUNTS		
I.—REPORT.		
Introductory .. .	1—3	2—3
Summary of the transactions for the year under report .. .	4	4—8
Important variations from Budget Estimates .. .	5	9—13
Revenue position of the Government—General Remarks .. .	6	14—15
Capital Outlay outside the Revenue Account—		
Capital Outlay during the year .. .	7	15
General statement of financial results of Commercial Departments—		
(i) Railways, (ii) Posts and Telegraphs Department and (iii) Irrigation .. .	8—10	16—20
Review of Debt Position—		
Statement of Borrowings .. .	11	21—27
Service of Debt .. .	12—13	27—29
Loans and Advances by the Central Government .. .	14	30
Guarantees given by the Central Government in respect of loans raised by Provincial Governments, Railway Companies, Local Bodies, etc. .. .	15	31
Summary of General Financial Position .. .	16	31—33
II.—ACCOUNTS.		
No. 1.—General Abstract of receipts and disbursements .. .	..	34
No. 2.—Summary of revenue and expenditure by major heads .. .	..	35—39
No. 3.—Statement showing the distribution between non-voted and voted expenditure .. .	..	40
No. 4.—Detailed account of revenue by minor heads .. .	..	41—52
No. 5.—Detailed account of expenditure by minor heads .. .	..	53—78
No. 6.—Statement of Capital Expenditure outside the Revenue Account during and to end of the year .. .	..	79—84
B.—DEBT, DEPOSITS AND REMITTANCE ACCOUNTS		
I.—REPORT.		
Introductory .. .	1—3	86
Review of Balances—		
General statement of balances .. .	4—5	87—88
Section A to M, Part of Section P and Sections S (II) and T—Government Account .. .	6—10	88—90
Section N.—Public Debt .. .	11—20	91—95
Section O.—Unfunded Debt .. .	21—54	96—105
Section P.—Deposits and Advances .. .	55—229	106—168
Section Q.—Loans and advances by the Central Government .. .	230—252	169—178
Section S.—Remittances .. .	253—274	179—186
Section V.—Cash Balance .. .	275—278	187
II.—ACCOUNTS,		
No. 1.—Summary of receipts and disbursements by major heads .. .	..	188—191
No. 2.—Statement showing Capital and other Expenditure (outside the Revenue Account) to end of the year 1943-44 and the principal sources from which funds were provided for that expenditure .. .	..	192—193
No. 3.—Statement of debt and other interest bearing obligations showing the additions to and discharges of debt, etc., during the year and the amount of debt, etc., at the commencement and close of the year .. .	..	194—198
No. 4.—Statement of loans and advances showing the amounts advanced and repaid, interest received during the year and the balances of such loans and advances at the commencement and close of the year .. .	..	199
Index .. .	..	200—206

**FINANCE ACCOUNTS OF THE CENTRAL GOVERNMENT FOR THE YEAR
1943-44 AND THE REPORT OF THE AUDITOR GENERAL OF INDIA.**

Certificate of the Auditor General of India.

This compilation containing the Finance Accounts of the Central Government for the year 1943-44 and the report of the Auditor General of India presents the accounts of the receipts and outgoings of the Central Government for the year, together with a report on the financial results disclosed by the different accounts and other data coming under examination, that is to say, both the revenue and capital accounts, the accounts of the Public debt and the liabilities and assets of the Central Government as deduced from the balances recorded in its books and other information. It supplements the reports of the Auditor General of India on the accounts of the audited expenditure of the Government for the year, separately presented in the form of Appropriation Accounts for each Grant. In compliance with Section 169 of the Government of India Act, 1935, the Auditor General's report on the accounts, accompanied by the accounts themselves is submitted by the Auditor General to the Governor General to be laid before the Legislature.

The accounts for 1943-44 which as Auditor General I am required to audit, both the Finance Accounts and the Appropriation Accounts, have been examined under my direction in accordance with the provisions of the Government of India (Audit and Accounts) Order, 1936. Likewise, as prescribed by Section 170 of the Government of India Act, 1935, the accounts of transactions of the Government in the United Kingdom have been audited by the Auditor of Indian Home Accounts under my general superintendence. It is to be noted that the Auditor General's responsibility for the audit of the accounts of the Government does not extend in full to the audit of the accounts of revenue, but I am satisfied on the best information available that the accounts of revenue included in the Finance Accounts herewith presented give a correct statement of the sums brought to account. Subject to these observations and also to those contained in the detailed reports which follow and in the reports on the Appropriation Accounts, the accounts now presented are correct statements of the receipts and outgoings of the Central Government for the year 1943-44.

SIMLA ;

B. M. STAIG,

Auditor General of India.

The 8th August, 1945.

A.—GENERAL FINANCE ACCOUNTS.

I.—REPORT

INTRODUCTORY.

1. *Main Divisions of Accounts.*—There are four main divisions of Government accounts :—

- (1) Revenue.
- (2) Capital.
- (3) Debt.
- (4) Remittance.

The first division deals with proceeds of taxation and other receipts classed as revenue and the expenditure therefrom, the net result of which represents the revenue surplus or deficit for the year. The second division deals with expenditure met usually from borrowed funds with the object either of increasing concrete assets of a material character, or of reducing recurring liabilities, such as those for future pensions by payment of the capitalised value. It also includes receipts of a capital nature which can properly be applied as a set-off to capital expenditure. The third division comprises receipts and payments in respect of which Government incurs a liability to repay the money received or has a claim to recover the amounts paid, together with repayments of the former and recoveries of the latter. The fourth and last division embraces all merely adjusting heads : *e.g.*, cash remittances from one treasury to another, transfers between different accounting circles and remittances between India and England. Credits and debits taken to the adjusting heads in the first instance are cleared eventually by adjustment under final heads.

The transactions included in these accounts represent mainly the actual cash receipts and disbursements during the financial year April to March, as distinguished from amounts due to or by Government during the same period. The cash basis system is, however, not entirely suitable for recording the transactions and presenting the true state of affairs of Government Commercial undertakings run on commercial principles. The detailed accounts of this class of undertakings are, therefore, maintained outside the regular accounts in proper commercial form and these accounts are subject to a suitable check by the Indian Audit Department.

2. *Sections and Major Heads of Accounts.*—Inside each of the four divisions mentioned above, the transactions are grouped into Sections which are further sub-divided into Major Heads of Accounts. The Sections are distinguished by letters of the alphabet, a single letter denoting the Revenue portion and a double letter denoting the Capital portion of a particular category of transactions. The Major Heads in the Revenue and Capital divisions are numbered serially, Roman numerals being employed on the receipt side and Arabic on the disbursement side. No numbering is adopted for Debt and Remittance heads, though these are also arranged in Sections.

The Major Heads are sub-divided into Minor Heads and the Minor Heads into Sub-heads and Detailed heads. Under each of the Major and Minor Heads, the expenditure is shown distributed between non-voted and voted. The Major and Minor Heads and the Sub-heads prescribed for the classification of expenditure in the general accounts are not necessarily identical with the Grants, Sub-heads and other units of allotments which are selected by the Finance Department for the Demands for Grants and the Appropriation Accounts ; but in general, a certain degree of correlation is maintained between the Demands for Grants and the Appropriation Accounts on the one hand and the Finance Accounts on the other.

3. *Balances and Reserves.*—The accounts work from balance to balance, these balances working up to the general cash balances, a small portion of which is kept in the treasuries all over India and in the Bank of England in England, while the bulk has been deposited with the Reserve Bank of India. Apart from these cash balances, are the Cash Balance Investment Account and other special Reserves invested outside the general cash balances of Government.

(Throughout this part of the report the amounts shown represent thousands of rupees unless the contrary is specifically indicated.)

SUMMARY OF THE TRANSACTIONS OF THE YEAR UNDER REPORT (1943-44).

4. A summary of the detailed transactions during the year under report as compared with the Budget for the year is given in the subjoined statement.

RECEIPTS.	Budget Estimates 1943-44. (2)	Actuals 1943-44. (3)	More (+) Less (-) (4)	DISBURSEMENTS.	Budget Estimates 1943-44. (6)	Actuals 1943-44. (7)	More (+) Less (-) (8)
(1)				(5)			
I.—REVENUE.							
EXPENDITURE—							
DIRECT DEMANDS ON THE REVENUE—							
Principal Heads of Revenue—							
Customs	30,60,00	26,50,71	-3,43,29	Customs	92,26	89,98	-2,28
Central Excise Duties	25,02,00	24,93,61	-8,39	Central Excise Duties	92,65	1,28,60	+35,95
Corporation Tax	42,50,00	51,27,75	+8,47,75	Corporation Tax	41,42	38,88	-2,54
Taxes on Income other than Corporation Tax	47,10,00	58,36,80	+11,26,80	Taxes on Income other than Corporation Tax	51,99	59,04	+7,05
Salt	9,59,00	8,33,78	-1,15,22	Salt	1,15,51	1,28,86	+13,35
Opium	1,08,34	80,23	-28,11	Opium	1,00,25	81,74	-18,51
Land Revenue	20,92	59,22	+12,30	Land Revenue	10,11	10,49	+38
Provincial Excise	35,54	48,05	+12,54	Provincial Excise	4,99	4,88	-11
Stamps	18,24	70,54	+22,28	Stamps	31,86	50,36	+18,50
Forest	1,97	6,61	+1,67	Forest	14,05	15,10	+1,05
Registration	1,60	1,95	+35	Registration	12	15	+3
Receipts under Motor Vehicles Act	4,24	5,94	+1,70	Charterage on account of Motor Vehicles	3,27	3,47	+20
Other Taxes and Duties	3,64	6,16	+2,52	Acts	5	0	-5
				Other Taxes and Duties			
Total Principal Heads of Revenue	1,56,69,55	1,72,01,15	+15,31,60	Total Direct Demands on the Revenue	5,58,73	6,11,61	+52,91
II.—EXPENDITURE.							
Principal Heads of Expenditure—							
Railways—Net Revenue	61,70,56	80,01,16	+18,30,60	Railways—Interest	37,00,58	42,37,53	+4,70,05
Irrigation—Net Receipts	2,53	2,54	+1	Provisional Charges	8,88	7,70	-1,18
Posts and Telegraphs—Net Receipts	9,21,82	9,96,56	+74,74	Irrigation	85,05	93,99	+8,94
Debt Services	1,63,39	1,62,15	-1,24	Posts and Telegraphs	11,45,67	12,09,20	+63,53
Civil Administration	1,25,74	1,38,98	+13,24	Debt Services	17,88,48	18,68,20	+79,72
Currency and Mint	5,13,34	9,96,07	+4,82,73	Civil Administration	1,56,34	2,26,41	+70,07
Civil Works and Miscellaneous	47,68	51,62	+3,94	Currency and Mint	2,88,63	55,94	-2,32,69
Public Improvements	3,93,52	2,28,00	-1,65,52	Civil Works and Miscellaneous Pub- lic Improvements			
Miscellaneous							

Defence Receipts	..	16,02,25	9,60,41	-6,41,84	Miscellaneous ..	..	7,34,75	5,26,15	-2,08,60
Extraordinary Items	..	14,37,58	15,43,13	+1,05,55	Defence Services	..	1,98,83,25	3,68,00,81	+1,69,17,56
					Contributions and miscellaneous ad- justments between Central and Provincial Governments	..	2,75,94	5,75,93	+2,99,99
					Extraordinary Items	..	27,14,71	30,65,70	+3,50,99
					Capital Expenditure within the Revenue Account (Details by Major Heads are given in Ac- count No. 2)	..	5,37	-2,72	-8.09
Total Revenue Receipts	..	2,73,48,46	3,02,86,57 (A)	+29,38,11	Total Expenditure on Revenue Account	3,14,06,98	4,92,76,48 (A)	+1,78,69,50	

II.—CAPITAL.

CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT (Details by Major Heads are given in Account No. 2)	
Railways	13,00,01
Posts and Telegraphs	3,20,21
Civil Works—Initial Expenditure on New Capital at Delhi	19,48
Miscellaneous—Payments of Com- muted value of Pensions	-28,53
Defence Capital Outlay	16,85,00
Capital Outlay on Schemes connec- ed with the War, 1939	10,45,42
Total	43,41,59
	61,50,70
	+21,09,11

III.—DEBT.

PUBLIC DEBT—	
Debt raised in India—	
Permanent Debt	15,10.00
Floating Debt	12,48,91,00
Debt raised in England—	
Permanent Debt	18,04,43
Total	12,82,05,43
	8,96,33,25
	-3,85,72,18

(A) Revenue deficit during the year 1,89,89,91.

RECEIPTS.			DISBURSEMENTS.				
(1)	Budget Estimates 1943-44. (2)	Actuals 1943-44. (3)	More (+) Less (—) (4)	(5)	Budget Estimates 1943-44. (6)	Actuals 1943-44. (7)	More (+) Less (—) (8)
UNFUNDED DEBT—							
Deposits of Service Funds	24.08	24.00	—8	Special Loans	0	4	—5
Post Office Savings Bank Deposits	22,70.00	36,14.87	+13,44.87	Deposits of Service Funds	32.99	34.10	+1.11
Defence Savings Bank Deposits	50.10	3,63.30	+3,13.20	Post Office Savings Bank Deposits	20,00.00	24,18.91	+4,18.91
Post Office Cash Certificates	4,50.00	5,50.27	+1,00.27	Defence Savings Bank Deposits	10	1.38	+1.28
Defence Savings Certificates	2,75.00	2,42.67	—32.33	Post Office Cash Certificates	7,50.00	5,43.24	—2,06.76
Post Office National Savings Certificates	..	8,66.00	+8,66.00	Defence Savings Certificates	75.00	1,01.59	+26.59
State Provident Funds	10,35.74	11,18.27	+82.53	Post Office National Savings Certificates	..	56	+56
Other Accounts	1,27.94	1,31.50	+3.56	State Provident Funds	7,76.90	6,40.28	—1,36.62
Total	42,32.86	69,10.88	+26,78.02	Other Accounts	96.44	84.75	—11.69
DEPOSITS AND ADVANCES—							
<i>Deposits bearing Interest—</i>							
Railway Depreciation and Reserve Funds	21,77.75	30,56.86	+8,79.11	Railway Depreciation and Reserve Funds	11,60.60	6,54.62	—4,35.98
Renewals Reserve Fund—Posts and Telegraphs	41.34	46.33	+4.99	Renewals Reserve Fund—Posts and Telegraphs	60.65	33.22	—27.43
Other Reserve Funds	6.00	6.02	+.2	Other Reserve Funds	32	1.05	+.73
Other Deposits	4,00.00	40,10.11	+36,10.11	Other Deposits	..	3,09.02	+3,09.02
<i>Deposits not bearing Interest—</i>							
Appropriation for Reduction or Avoidance of Debt—				Appropriation for Reduction or Avoidance of Debt—			
Sinking Funds	95.01	95.04	..	Fund for Economic Development and Improvement of Rural Areas	11.00	10.10	—90
Other Appropriations	2,04.96	2,04.96	..	Silver Redemption Reserve	20.00	5,63.05	+5,43.05
Silver Redemption Reserve	20.00	5,63.09	+5,43.09	Civil Aviation Fund	22.00	6.39	—15.61
Civil Aviation Fund	23.65	3.00	—20.65	Central Road Fund	1,63.50	78.13	—85.36
Central Road Fund	1,70.00	1,70.00	..	Fund for Development of Civil Aviation	27.11	12.01	—15.10
Post Office Cash Certificates Bonus Fund	13.53	42.00	+28.45				
Total	42,32.86	69,10.88	+26,78.02	Total	37,31.52	38,24.85	+93.33

Fund for Development of Civil Aviation...	15,00	20,00	+5,00	Fund for Special Frontier Expenditure including Development ..	2,03	1,62	—41
Fund for Development of Broad-casting ..	25,00	25,24	+24	Fund for Development of Broad-casting ..	12,36	9,98	—2,38
Fund for Benefit of Cotton growers	10,00	12,00	+2,00	Fund for Benefit of Cotton growers	14,44	14,44	+14,44
Sugar Excise Fund ..	1,00,00	1,04,89	+4,89	Sugar Excise Fund ..	11,27	11,27	—3,17
Sugar (Temporary Excise) Fund ..	13,93	12,61	—1,32	Fund for Relief of Groundnut cultivators ..	5,61	2,21	—3,40
Depreciation Reserve Fund—Government Presses ..	..	57,70	+57,70	Depreciation Reserve Fund—Government Presses ..	68	98	+30
Deposits of Local Funds ..	1,78	1,13	—15	Deposits of Local Funds ..	2,10,27	2,89,70	+73,43
Deposits of Branch Line Companies	2,25,86	3,24,21	+98,35	Deposits of Branch Line Companies	45	60	+15
Civil Deposits ..	34	80	+46	Civil Deposits ..	73,06,61	1,13,72,55	+40,65,94
Other Deposits ..	80,27,32	1,23,04,31	+43,36,99	Other Deposits ..	42,28,20	29,24,60	—13,03,60
Other Accounts ..	49,79,20	37,55,55	—12,23,65	Other Accounts ..	42,64	34,71,82	+34,29,18
Transactions connected with the War, 1939 ..	2,84,48	67,45,94	+64,61,46	Transactions connected with the War, 1939 ..	1,61,74	19,98	—1,41,76
Advances not bearing Interest—	13,59,45	14,08,96	+49,51	Advances not bearing Interest—	1,18,10,83	1,84,84,82	+66,73,99
Advances not bearing interest ..	1,12,83,79	1,78,10,00	+65,32,21	Advances not bearing interest ..	..	12,01,88	+12,01,88
Suspense—	..	..	..	Suspense—	21,31,44	3,70,83	—17,60,61
Purchases and Sales of Silver	7,59,59	21,69,34	+14,09,75	Purchases and Sales of Silver	..	2,72,41	—33,10
Other Suspense heads ..	37,80,14	60,58,32	+22,78,18	Other Suspense heads ..	3,05,51	..	..
Miscellaneous—	..	..	..	Miscellaneous—	..	..	..
Miscellaneous ..	3,02,60	2,64,51	—38,09	Miscellaneous ..	..	..	..
Total ..	3,43,20,57	5,93,39,22	+2,50,18,65	Total ..	2,76,43,48	4,01,27,28	+1,24,83,80

Salt 1,16,22.—Accounted for by less realisations under “Duty on imported salt” (98,47) and greater refunds (14,04).

Miscellaneous 1,64,62.—Mainly due to smaller stationery receipts (2,19,52) partly set off by increase in the amount of instalment from sale of new plots of land under the Bombay Military Lands Scheme.

Defence Receipts 6,41,84.—Due mainly to less receipts on account of Lease/Lend Stores issued to civil indentors than anticipated.

EXPENDITURE.

The total expenditure in the Revenue Account exceeded the budget estimates by about Rs. 1,78,70 lakhs. Out of this excess, the Defence Services are responsible for Rs. 1,69,18 lakhs and the Railways for Rs. 4,77 lakhs.

Increase.

Direct Demands on the Revenue 52,91.—Increases under various heads chiefly Central Excise Duties (35,95), Taxes on Income other than Corporation Tax (7,05), Salt (13,35), Stamps (18,50), counterbalanced by savings under other heads mainly Customs (2,28), Corporation Tax (2,54) and Opium (18,71).

Railways Interest and Miscellaneous Charges 4,76,95.—The excess was due mainly to the payment of Rs. 13.20 crores to the Railway Reserve Fund against the Budget provision of Rs. 9 crores owing to larger surplus accruing during the year.

Posts and Telegraphs 8,34.—The excess was mainly due to increase in the interest bearing balance of stores and smaller recoveries of interest than anticipated from the War Department in respect of outlay on works under the Telecommunications Development Scheme and capital invested in stores for that Department.

Debt Services 63,53.—Mainly due to increase in Rupee debt and smaller recoveries on account of advance repayment of consolidated debt by some Provincial Governments. This was partly counterbalanced by less payment of interest on account of more discharge of Treasury Bills rendered possible by improvement of Defence Loan Receipts and increased recoveries on account of increased capital outlay on Railways and Posts and Telegraphs.

Civil Administration 79,72.—Spread over a large number of heads—mainly due to creation and expansion of the branches of the various Departments of the Central Government for the administration of special wartime functions.

Currency and Mint 70,07.—The increase under Currency (30,10) was mainly due to purchase of additional paper and stores to meet the increased demand for Reserve Bank of India notes and Government of India one rupee notes and that under Mint (39,97) was due to payment of certain machinery and stores thrown forward from 1942-43 and also on account of increased coinage necessitated by the unabated demands for coins.

Defence Services 1,69,17,56.—The increase was chiefly due to expansion of the Defence Services sanctioned during the course of the year.

Contributions and miscellaneous adjustments between Central and Provincial Governments 2,99,99.—Increase was due to grant-in-aid to the Government of Bengal for meeting the heavy expenditure on famine relief (Rs. 3 crores).

Extraordinary Items 3,50,99.—Increased payments to the War Risks (Goods) Insurance Fund due to expansion of business and rise in the prices of commodities (66,56), unanticipated increase in expenditure on Indian evacuees from War Zones (1,94,07) and raising of additional units of Civil Pioneer Force accounted for the excess.

Decrease.

Civil Works and Miscellaneous Public Improvements 2,32,69.—Mainly due to larger net credit under suspenses—"Other Suspense Accounts" on account of huge purchases of stores and material for war emergency works taken up in the closing months of the financial year and less transfer to the Central Road Fund on account of reduction in the net receipts from the import duty on petrol accruing to General Revenues.

Miscellaneous 2,08,60.—Decrease was mainly under Stationery and Printing due to cessation of supply to the Middle East and the restricted issues of stationery stores to Government Departments. Additional recoveries on account of supplies and services to the Defence Services also accounted for the decrease.

II.—CAPITAL

The actual capital expenditure was more than provided in the Budget Estimates (21,09,11).

EXPENDITURE.

Increase.

Defence Capital Outlay 20,60,81.—The increase was chiefly due to capital expenditure on construction of airfields for local defence of India and for U. S. A. troops in India as "Reciprocal aid".

Capital Outlay on Schemes connected with the War, 1939. 4,39,35.—Mainly due to overseas purchases of the Food Department, larger expenditure in connection with the various post-budget schemes started during the year and lesser recoveries due to sales of rubber being on a smaller scale than originally anticipated, partly set off by lesser imports of Electrical Generating Plant and machine tools than originally anticipated and more recoveries on account of imported food-grains not anticipated in the budget.

Posts and Telegraphs 69,63.—Mainly due to increase in the stores balances of the Department (1,61,95), payment made to the Telephone Companies at Bombay, Calcutta and Madras to meet their current liabilities, etc. (50,30), smaller recoveries of the War Department's share in respect of works carried out under the Telecommunication Development Scheme (2,03,32) and expenditure on Fair Price shops (3,83) partly counterbalanced by savings due to smaller outlay on capital works than anticipated (3,51,21) and larger credit on account of sales and abandonment of assets without replacement (1,90) and receipts on capital account (1,66).

Decrease.

Railways 4,29,37.—The decrease was mainly due to postponement of a part of the balance of the purchase price of the Bengal and North Western and the Rohilkhand and Kumaon Railways (Rs. 3 crores) and write back of the Capital cost of certain dismantled lines from Capital to Revenue and Depreciation Reserve Fund (Rs. 1 crore).

III.—DEBT.

(Increase +, Decrease—).

Public Debt—

Permanent Debt—Rupee

Debt—

Receipts ..	..	..	+1,75,89,72
Disbursements ..	..	..	+1,57,92
Net receipts	..	..	+1,74,31,80

The increase under receipts was due to the intensification of the Government's borrowing operations as a part of their anti-inflationary measures and the issue of a variety of new loans to the public. The main reason under disbursements was cancellation of rupee securities created in connection with the repatriation scheme.

REVENUE POSITION OF THE GOVERNMENT.

GENERAL REMARKS.

6. The development of India as a main base for the offensive operations of the Allied forces against Japan, particularly after the establishment of the South East Asia Command in 1943, led to her being called upon increasingly to draw on her resources of man power and materials for war purposes and influenced profoundly the finances of the Central Government during the year 1943-44.

The original budget estimates for the year placed the total receipts at Rs. 1,99,30 lakhs and the total expenditure at Rs. 2,59,59 lakhs with a prospective revenue deficit of Rs. 60,29 lakhs. Several measures of direct and indirect taxation were introduced to reduce the deficit. The direct taxation imposed by the Finance Act, 1943 included (a) an increase in the Central surcharge on income tax from 9 pies to 10 pies in the rupee in the slab of incomes between Rs. 5,000 to Rs. 10,000, from 14 to 16 pies in the rupee in the next slab up to Rs. 15,000 and from 15 to 20 pies in the rupee on the balance above Rs. 15,000, which resulted in a surcharge amounting uniformly to 66 $\frac{2}{3}$ per cent. over the existing basic rates of income tax, (b) a uniform increase of $\frac{1}{2}$ anna in the surcharge of super tax on slabs of income between Rs. 25,000 and Rs. 3 $\frac{1}{2}$ lakhs and (c) an increase in the corporation tax from 1 $\frac{1}{2}$ to 2 annas in the rupee. The indirect taxation comprised (a) a central excise duty on tobacco, (b) a new excise duty on vegetable products, and (c) increased postal and telephone rates. The total additional yield from these measures was estimated at Rs. 19,70 lakhs which brought the estimated revenue for the year to Rs. 2,19,00 lakhs and reduced the prospective deficit to Rs. 40,59 lakhs which was left to be covered by borrowing.

The revenue accounts, however, closed with an actual deficit of Rs. 1,89,50 lakhs or Rs. 1,49,31 lakhs more than anticipated as though revenue receipts improved by Rs. 30,94 lakhs over the budget anticipation, the increase in the actual expenditure over the budget amounted to Rs. 1,80,25 lakhs.

On the revenue side, the receipts from Corporation Tax and Taxes on Income exceeded the budget figures by Rs. 19,75 lakhs due to increase in the rates and higher realisations mainly to speeding up of assessment. The relatively large increase under Currency and Mint (Rs. 4,83 lakhs) accrued mainly on account of a marked rise in the Government share of the surplus profits of the Reserve Bank of India. There was also an increase of Rs. 1,06 lakhs under Extraordinary Items on account of larger receipts under War Risks (Goods) Insurance Scheme and receipts connected with the Civil Defence, which was not anticipated in the Budget. Under Railways, the actual net receipts exceeded the budget anticipation by Rs. 15,31 lakhs. Earnings both from passenger and goods traffic registered increases. But mainly due to some increase in expenditure under interest charges, the surplus worked out to Rs. 50,84 lakhs against the budget figure of Rs. 36,04 lakhs. Out of this surplus, Rs. 37,64 lakhs were transferred to General Revenues and the balance of Rs. 13,20 lakhs to the Railway Reserve Fund. The only important head of revenue which showed a decline was Customs, the receipts under which came to Rs. 26,57 lakhs against the budget estimate of Rs. 30,00 lakhs due chiefly to difficulties in obtaining shipping space for civilian requirements and to some extent by the refund of a large amount of duty initially collected under the ordinary customs procedure on the petrol and aviation spirit required for the expansion of India's air and land forces, to the Defence Services.

On the expenditure side, out of the total increase of Rs. 1,80,25 lakhs the largest and abnormal individual increase of Rs. 1,75,59 lakhs (excluding the expenditure on Defence Capital Outlay) occurred under Defence Services. The all round expansion in all the three arms of Defence Services viz. the Army, Navy and Air Forces in India both for local defence and large scale offensive against the enemy in the East resulted in heavier defence expenditure than could be foreseen at the time of framing the budget estimates for 1943-44. The grant-in-aid to the Government of Bengal by way of financial assistance for famine relief accounted for an increase of Rs. 3 crores in the civil side. The balance of the increase was the net result of excesses and savings under other civil expenditure heads, the most important being the assistance to evacuees which increased by Rs. 1,93 lakhs as compared with the original budget of Rs. 1,00 lakhs.

CAPITAL OUTLAY OUTSIDE THE REVENUE ACCOUNT.

Capital Outlay during the year.

7. The following table shows the capital expenditure outside the Revenue Account during the year 1943-44 :—

Nature of Expenditure.	Amount of expenditure (In thousands)			
(1) 67-A.—Construction of State Railways—Commercial	9,38,85
(2) 67-B.—Construction of State Railways—Strategic	—1,03,32
(3) 67-C.—Capital Contributed by Railway Companies towards Outlay on State Railways— Discharge of debentures	35,11
(4) 69.—Capital Outlay on Posts and Telegraphs	3,89,84
(5) 78.—Initial Expenditure on New Capital at Delhi	—27
(6) 83.—Payments of Commuted Value of Pensions	—40,09
(7) 86.—Defence Capital Outlay	37,45,81
(8) 87.—Capital Outlay on Schemes connected with the War, 1939	14,84,77
Total				64,50,70

The expenditure of Rs. 8.71 crores under items (1) to (3) above is due largely to purchase of stores for stock purposes and food stuffs for grain shops and payment of a part of the purchase price to the Bengal and North Western and the Rohilkhand and Kumaon Railway Companies out of the balance withheld from them in the previous year. The last two major heads have been opened with effect from the accounts for 1942-43 to record capital expenditure on schemes connected with the War.

The progressive capital expenditure outside the Revenue Account of the Central Government, as recorded under the various major heads up to the end of the year 1943-44 has been shown in statement No. 6 of Part A-II—Accounts and amounts to Rs. 934.54 crores.

GENERAL STATEMENT OF FINANCIAL RESULTS OF COMMERCIAL DEPARTMENTS.

(i) Railways.

8. For the eighth year in succession, Indian State-owned railways earned a surplus in 1943-44, which amounted to Rs. 50·84 crores. After the separation of Railway from General Finances in 1924-25, railways produced surpluses to the end of 1929-30. In the six subsequent years ending with 1935-36, there were deficits in working which were met partly by utilising the available balances in the Railway Reserve Fund and partly by borrowing from the Depreciation Reserve Fund.

During the first seven years of the separation (1924-25 to 1930-31) a total contribution of Rs. 41·65 crores was paid by Railways to General Revenues. Of this, Rs. 7·82 crores had to be met from the Railway Reserve Fund during the years 1929-30 and 1930-31. No contribution was paid in subsequent years to the end of 1936-37. The further contributions paid in the seven years 1937-38 to 1943-44 amounted to Rs. 98·56 crores, thus making an aggregate contribution of Rs. 140·21 crores. The amounts paid during the three years ending 1942-43 not only liquidated the arrears of contribution in the years of deficits or inadequate surpluses but included Rs. 2·36 crores over and above the amount due. The surplus for 1943-44 was distributed between Railways and General Revenues in the ratio of 1 : 3. Under this arrangement, the latter received a net contribution of Rs. 37·64 crores for the year, after bearing the loss on strategic lines. The temporary loans from the Depreciation Reserve Fund amounting to Rs. 31·50 crores were also repaid by the end of 1942-43. The payments made to General Revenues and repayments to the Depreciation Reserve Fund for the three years ending 1942-43 were not in strict accordance with the Separation Convention. From 1st April, 1943, those clauses of the Convention which govern the contribution and allocation of surpluses to General Revenues were abandoned altogether. These measures were taken with the approval of the Legislature to assist General Revenues in these abnormal times.

The gross traffic receipts (excluding worked lines) for 1943-44 amounted to Rs. 181·54 crores which exceeded the budget expectations by Rs. 34·59 crores and the actual receipts of the previous year by Rs. 31·34 crores. The increase over the estimate occurred under all classes of traffic *viz.* passenger (upper and third class) traffic, other coaching traffic and goods traffic.

The revenue expenditure of the year (exclusive of worked lines) was Rs. 104·95 crores, which exceeded the budget expectations for the year by Rs. 19·86 crores and the actuals of the previous year by nearly Rs. 26 crores. The increase over the budget was mainly due to payment of dearness allowance at enhanced rates, loss in supplying food grains to staff at cheap prices, expenditure on Defence of India units, greater expenditure on fuel, staff and repairs and maintenance of structural works, write-back of the cost of dismantled lines and abandoned assets and additional contribution to the Depreciation Reserve Fund to cover excessive wear and tear of assets during the War.

The net revenue, inclusive of net miscellaneous receipts was Rs. 79·37 crores ; and after payment of interest charges amounting to Rs. 28·53 crores, there remained a surplus of Rs. 50·84 crores which exceeded the budget anticipations by Rs. 14·80 crores and the actuals of the previous year by Rs. 5·77 crores. Of this surplus, a sum of Rs. 37·64 crores was paid to General Revenues and the balance of Rs. 13·20 crores credited to the Railway Reserve Fund.

The contribution made from Revenue to the Depreciation Reserve Fund was Rs. 16·87 crores as compared with the budget estimate of Rs. 12·84 crores. The increase was chiefly due to the additional contribution of Rs. 4 crores, made on the recommendation of the Railway Convention Committee and with the approval of the Legislature, which represented an emergency provision for additional wear and tear on railway assets arising out of war traffic. The amount withdrawn for expenditure from the Fund for renewals and replacements of assets was Rs. 6·65 crores which was Rs. 4·35 crores less than that anticipated in the budget. The saving was due mainly to non-receipt of rolling stock and non-availability of permanent way materials. The balance at credit of the Fund at the end of the year stood at Rs. 92·30 crores against Rs. 84·03 crores anticipated.

The appropriation to the Railway Reserve Fund was Rs. 13·20 crores against Rs. 8·94 crores anticipated in the budget. The increase was largely due to a substantial improvement in traffic receipts resulting in a larger surplus. The balance of the Fund at the end of 1943-44 was Rs. 22·55 crores inclusive of Rs. 0·83 crore in investments.

Under Capital—New Construction, a small budget provision of Rs. 0·01 lakh was made for closing the accounts of the Sind Right Bank Feeder Railway. Actually, a credit of Rs. 1·13 lakhs was realised. This was mainly due to receipts amounting to Rs. 0·73 lakh from the sale of land relating to certain abandoned projects and a credit of Rs. 0·40 lakh in respect of certain joint station works adjusted during the year.

The Open Line Works Programme provided for an expenditure of Rs. 26·17 crores, comprising Rs. 12·49 crores for Rolling Stock, Rs. 5·87 crores for Track Renewals, Rs. 3·78 crores for Structural and bridge works, Collieries and other emergencies, Rs. 1·32 crores for increases under Stores and Manufacture suspense, Rs. 3·97 crores for the purchase of the Bengal and North Western Railway, Rs. 0·87 crore for the purchase of the Rohilkhand and Kumaon Railway, and credits amounting to Rs. 1·81 crores on account of released materials and Rs. 0·29 crore on account of certain rolling stock sent overseas. As in the past, it was anticipated that the railways would not be able to work up to their programmes and so, a lump sum cut of Rs. 2·17 crores was made, reducing the budget provision to Rs. 24 crores. Of this, it was estimated that Rs. 13 crores would be chargeable to capital and Rs. 11 crores met from the Depreciation Reserve Fund. The actual expenditure was Rs. 15·01 crores, of which Rs. 8·36 crores were debited to Capital and Rs. 6·65 crores met from the Depreciation Reserve Fund. Rolling Stock accounted for Rs. 2·55 crores, Track Renewals for Rs. 3·84 crores, Structural and bridge works etc. for Rs. 2·96 crores, Stores and Manufacture Suspense for Rs. 5·93 crores, and payment of a portion of the balance of purchase price of the Bengal and North Western and the Rohilkhand and Kumaon Railways for Rs. 1·57 crores. Of the credits, those due to released materials amounted to Rs. 1·15 crores while those on account of the write-back of the capital cost of dismantled lines and abandoned assets were Rs. 0·69 crore. The saving of Rs. 4·64 crores (over the budget) in capital outlay was chiefly due to the non-payment of a portion of the balance of the purchase price of the Bengal and North Western and Rohilkhand and Kumaon Railways (Rs. 3·27 crores,) and credits on account of the write-back of the capital cost of certain dismantled lines and abandoned assets from Capital to Revenue and Depreciation Reserve Fund (Rs. 1·26 crores).

An expenditure of Rs. 0·35 crore on capital account was incurred in the discharge of debentures relating to the South Indian and Bengal Nagpur Railways, for which no provision was made in the budget.

(ii) Posts and Telegraphs Department.

9. The gross revenue of the Department for the year was estimated at Rs. 21,93·47 lakhs which exceeded the Budget Estimate for the previous year by Rs. 5,16·47 lakhs and the actuals of that year by Rs. 2,63·14 lakhs. Besides the increase based on expectations of a general rise in traffic, additional revenues were anticipated on account of the revision of the rates for inland postage and surcharge on telephone rentals and the taking over by the Government of the licensed telephone systems at Bombay, Calcutta and Madras. The estimate of net Receipts was placed at Rs. 9,21·82 lakhs after allowing Rs. 12,71·65 lakhs for working expenses. Interest charges payable to general revenues were estimated at Rs. 85·65 lakhs and the net profit was, therefore, placed at Rs. 8,36·17 lakhs. The actual revenue, however, amounted to Rs. 25,17·33 lakhs or Rs. 3,23·86 lakhs more than the Budget Estimate, and after deducting working expenses (Rs. 15,20·77 lakhs) and interest charges (Rs. 93·99 lakhs), the net profit that accrued amounted to Rs. 9,02·57 lakhs, which was Rs. 66·40 lakhs more than as anticipated. The profit for 1943-44 was the largest made in any single year since 1925-26 when the accounts of the Department were first placed on a commercial basis.

The working expenses of the Department exceeded the Budget Estimate by Rs. 2,49·12 lakhs. This was mainly due to the increased activities of the Department and such special factors as enhancement of the rates of dearness allowance, rise in the prices of materials, cost of militarisation of staff in a circle, supply of food-grains at fair prices to staff in certain areas, payment of arrears of contribution under the Empire Air Mail scheme and the taking over of the Bombay Telephone Company from a date earlier than originally anticipated. A supplementary grant of Rs. 2,28·03 lakhs was obtained from the Legislature in March, 1944. The total provision (Rs. 14,99·33 lakhs) consisting of the sanctioned grant for votable items (Rs. 14,83·35 lakhs) and the final appropriation for non-voted charges (Rs. 15·98 lakhs); however, proved short of actual requirements by Rs. 21·44 lakhs, mainly due to increases under pay charges and expenditure of a contingent nature. Increase in the interest-bearing balance of stores and smaller recoveries of interest from the War Department in respect of outlay on works under the Tele-Communications Development scheme mainly contributed to an excess over the estimate of Rs. 8·34 lakhs in the interest charges of the Department. This excess was, however, largely covered by reappropriation of funds in the final estimates.

The annual contribution to the Renewals Reserve Fund (for the depreciation of wasting capital assets) was fixed by Government at Rs. 25 lakhs from 1941-42. In addition to this amount, another contribution of Rs. 21·33 lakhs was made to the Fund during the year in respect of the assets of the Telephone systems at Bombay, Calcutta and Madras taken over by the Department. The amount debited to the Fund for expenditure on renewals and replacements as well as for sold and abandoned assets was Rs. 33·22 lakhs. The balance at the credit of the Fund at the end of 1943-44 was Rs. 3,40·85 lakhs.

Compared with the actuals of the previous year, the revenue receipts and the working expenses increased by Rs. 5,87 lakhs and Rs. 1,11·96 lakhs respectively. Interest charges increased by Rs. 24·16 lakhs. As in the preceding three years, the growth of traffic and the operation of higher rates largely contributed to the increased revenue. The telephone systems at the three Presidency towns taken over by the Department also brought in an additional revenue of Rs. 1,74·36 lakhs. The increase in working expenses was mainly under pay charges (Rs. 57 lakhs), allowances, honoraria, etc., including the increase due to grant of dearness allowance at enhanced rates

(Rs. 99 lakhs), losses on supply of food-grains to staff at fair prices (Rs. 29 lakhs), freight on issues of stores (Rs. 24 lakhs), manufacturing cost of stamps, postcards, etc., and stationery and printing (Rs. 27 lakhs), payment of arrears of contribution under the Empire Air Mail Scheme (Rs. 26 lakhs) and other contingent charges (Rs. 33 lakhs). The expenditure on the Telephone systems taken over by the Department accounted for an increase of Rs. 57 lakhs and smaller increases under other heads amounted to Rs. 20 lakhs. These increases aggregating Rs. 3,72 lakhs were set off by more credits to working expenses (Rs. 1,10 lakhs) and by the absence of any special contribution to the Renewals Reserve Fund as was made in 1942-43 (Rs. 1, 50 lakhs). The increase in interest charges was mainly due to increase in capital outlay and in the balance of stores.

Out of the profit of Rs. 9,02.57 lakhs earned by the Department during the year Rs. 8,36.17 lakhs, representing the profit anticipated in the Budget Estimates for the year, were contributed outright to the General Revenues. The balance of Rs. 66.40 lakhs was added to the surplus of Rs. 6.66 lakhs carried forward from the previous year's accounts, making an aggregate surplus of Rs. 7,32.40 lakhs to the end of the year. In conformity with the decision of Government, rebate of interest will, however, be allowed to the Posts and Telegraphs Department on a maximum of Rs. 1,00 lakhs only of this surplus.

(iii) Irrigation.

10. Irrigation works are classified as Productive or Unproductive, according as the net revenue (gross revenue less working expenses) derived from each work on the expiry of ten years from the date of closure of the construction estimate, covers or does not cover the prescribed annual interest charges on the capital invested. The productivity test involves some *pro forma* adjustments which do not appear on the face of the Government Accounts.

I.—Productive Works.

The Lloyd Barrage and Canals Construction (Khirtar Branch) irrigates lands in the Nasirabad Section of the Baluchistan territory. The Central Government bears the proportionate share of the capital cost and working expenses incurred by the Government of Sind on the Lloyd Barrage and Canals Construction Scheme. The share is determined on certain agreed formulae. The irrigation revenues pertaining to the Section are retained as central revenues. The project was completed in 1933.

The following table summarises the financial results of the Nasirabad Section :—

					(In thousands of Rupees.)	
					1942-43.	1943-44.
(1) Capital outlay to end of the year	..	..	..	..	1,08,96	1,09,07
(2) Gross receipts	..	..	..	..	3,75	4,32
(3) Working expenses	..	..	..	..	2,13	3,11
(4) Net revenue excluding interest	..	..	..	..	1,62	1,21
(5) Interest on capital	..	..	..	..	4,15	4,28
(6) Net profit (+) or loss (—)	..	..	..	..	—2,53	—3,07
(7) Percentage of profit or loss to capital outlay	..	..	..	..	2.60	2.81
					(Loss)	(Loss)

The percentage of loss during 1943-44 is more than that in 1942-43. This is mainly due to the fact that owing to increased working expenses of the unified Lloyd Barrage System (Sind) due to floods and high abkalani, share of working expenses debitable to Nasirabad Section was also larger than that in the previous year.

II.—Unproductive Works.

The financial results of the Unproductive Works in Central Areas are summarised in the following table :—

		(In thousands of Rupees.)			
		Ajmer-Merwara.		Baluchistan.	
		1942-43.	1943-44.	1942-43.	1943-44.
(1)		(2)	(3)	(4)	(5)
(1) Capital outlay to end of the year ..	..	28,44	28,44	35,61	35,75
(2) Gross receipts ..	..	67	85	95	2,14
(3) Working expenses ..	..	58	1,83	61	60
(4) Net revenue excluding interest ..	..	9	—98	34	1,54
(5) Interest on capital ..	..	95	95	1,28	1,26
(6) Net profit (+) or loss (—)	..	—86	—1,93	—94	+28
(7) Percentage of profit or loss to capital outlay		3.01	6.8	2.63	.78
		(Loss)	(Loss)	(Loss)	(Profit)

These works are all irrigation tanks.

Ajmer-Merwara.—The abnormal increase in the working expenses during the year under review is due to the restoration of breaches which occurred in several tanks of Merwara owing to very heavy rains in 1943-44. There is also an increase in revenue during the year which is due to the timely rainfall and sufficient water for irrigating Kharif crop which were cultivated on an average scale.

Baluchistan.—The increase in gross receipts during the year under review as compared with the year 1942-43 is due to (i) adjustment during the year of a large share of revenue pertaining to the year 1942-43 and (ii) increase in the rate of food-grains from about Rs. 6 per maund in 1942-43 to Rs. 8 per maund during 1943-44. Revenue in Baluchistan is received in kind.

REVIEW OF DEBT POSITION.

STATEMENT OF BORROWINGS.

11. The following statement shows the debt position of the Central Government at the beginning and close of the year under review :—

Nature of Debt.					On 1st April, 1943	On 31st March, 1944	Difference (+) or (—) (4)
(1)					(2)	(3)	(4)
<i>Rupee Debt (in lakhs of Rupees)—</i>							
Permanent Debt	..	..	..	..	7, 52,01	10,11,68	+2,59,67
Floating Debt ..	..	..	..	..	2, 64,70	1,10,61	—1,54,09
Unfunded Debt	..	..	..	..	1,89,49	2,20,41	+30,92
Total Rupee Debt	..	..	..	..	12,06,20	13,42,70	+1,36,50
<i>Sterling Debt (in £000)—</i>							
Permanent Debt	..	..	..	..	65,912	(a) 51,210	—14,702
Unfunded Debt.	..	..	..	..	2,785	2,742	—43
Total Sterling Debt.	..	..	..	..	68,697	53,952	—14,745
The same converted into lakhs of Rupees at £1=Rs. 13-1/3					91,60	71,94	—19,66
Total Debt—(in lakhs of Rupees) (Rupees and Sterling)					12,97,80	14,14,64	+1,16,84
<i>Deduct—Outstanding loans and advances made by the Central Government to Provincial Governments., Indian States, etc.</i>					—1,29,87	—1,14,95	+14,92
Total of Debt, Rupee and Sterling expressed in lakhs of Rupees					11,67,93	12,99,69	+1,31,76

It will be seen from the statement above that there has been an increase of Rs.

2,59,67 lakhs under Permanent Debt—Rupee Debt.
30,92 „ „ Unfunded Debt (India)

2,90,59 lakhs
and a reduction of
1,54,09 lakhs under Floating Debt (India)
19,60 „ „ Permanent Debt (Sterling Debt)
6 „ „ Unfunded Debt (England)

1,73,75 lakhs

resulting in a net increase of the total debt (Rupee and Sterling) by Rs. 1,16,84 lakhs.

There has also been a reduction of assets by Rs. 14,92 lakhs (excess of recoveries over disbursements) in the amount of outstanding loans and advances by the Central Government to Provincial Governments, Indian States, etc. As a result, the aggregate outstanding debt of the Central Government has increased by Rs. 1,31,76 lakhs, from Rs. 11,67,93 lakhs to Rs. 12,99,69 lakhs.

(a) Includes, £39,929 on account of 4 per cent. Debenture Stock of the South Indian Railway, the liability in respect of which was assumed by the Secretary of State on the termination of the Company's contract on the 31st March, 1944. This amount has been treated as Permanent Debt incurred during the year without a financial adjustment.

Securities amounting to Rs. 55 crores held by the Government themselves in their Cash Balance Investment account and the outstanding balance of the Railway annuities amounting to Rs. 33 crores (equivalent of £ 24,589 thousands) for the repayment of which the Government of India have deposited the requisite amount with His Majesty's Government and which now appears under debt account for accounting reasons only may, however, be treated as a set off against the total liability of Rs. 12,99,69 lakhs.

Permanent Debt—Rupee Debt.—The loan programme of the Central Government was dominated by the Defence Savings movement and was directed against the inflationary tendencies that manifested themselves towards the close of the previous year. As a counter-measure a number of new loans designed to appeal to every type of investor was floated during the year. Special efforts were also made to tap small savings from the class of people who were unaccustomed to investing in Government loans. A National Savings Commissioner was appointed to direct and control the small savings movement from the centre. With the co-operation and backing of the Provincial Governments, a country-wide National Savings drive was launched in October, 1943, as a result of which there has been a welcome improvement in this important field of small savings, by villagers and persons of small means in urban areas.

The Three Year Interest-free Defence Bonds.—These bonds first issued in June 1940 continued to be available on tap. The period of maturity of these Bonds having been reached in 1943, repayment began simultaneously to be made. The holders of the bonds were given the option of renewing their holdings for a further period of three years subject to the same terms and conditions as attached to the original issue. The total receipts during the year amounted to Rs. 41,74,494 while the total repayments amounted to Rs. 40,83,659.

The Third Defence Loan.—It being a re-issue of the 3 per cent. loan, 1951-54 raised in 1935, which was floated in July, 1942 and which remained on tap was finally closed in June, 1943. The total subscriptions to the loan amounted to Rs. 54,80,10,300 out of which Rs. 14,51,23,300 were accounted for during the period from 1st April to 30th June, 1943.

The Fourth Defence Loan, 3 p r cent. Loan, 1953-55.—Following the close of the Third Defence Loan, this was issued with effect from July, 1943. The loan was a cash-cum conversion one at par and remained on tap until 31st March, 1944 when it was closed. Subscriptions were received in cash and in the shape of 4 per cent. Bonds, 1943 (which fell due for repayment on the 1st August, 1943) upto the close of the business on the 17th July, 1943 at the rate of Rs. 100-4-0 for every Rs. 100 nominal. The total subscriptions to the loan accounted for upto 31st March, 1944 amounted to Rs. 1,10,85,11,300 including Rs. 5,47,27,400 (*) issued against 4 per cent. Bonds, 1943 tendered for conversion.

Simultaneously with the announcement of the Fourth Defence Loan, a further issue of the 3 per cent. loan, 1963-65 (*Fourth Issue*) was also announced; the issue price being Rs. 95-8-0 for every Rs. 100 nominal plus an amount to cover the interest from the 1st June, 1943 to the date of application. The 4 per cent. Bonds, 1943 were allowed to be converted into this loan also at the rate of Rs. 100-4-0 for every Rs. 100 nominal. The list was opened on the 3rd July, 1943 and closed on the 5th July, 1943 with a total subscription of Rs. 15,21,10,400 including Rs. 7,62,62,900 (*) against 4 per cent. Bonds, 1943 tendered for conversion.

(*) The nominal value of the 4 per cent. Bonds, 1943 tendered for conversion into 3 per cent. n, 1953-55 and 3 per cent. Loan, 1963-65 were respectively Rs. 5,45,07,600 and Rs. 7,28,02,600.

An interesting departure from the orthodox loan policy was made in the issue of *Prize Bonds* from the 15th January, 1944 with a view to induce the public and specially the small investor to save more. These were the *Five Year Interest-free Prize Bonds* repayable at par on or after the 15th January, 1949. The Bonds were issued in the form of Bearer Bonds in denominations of Rs. 10 and Rs. 100. Drawings for prizes are held half yearly on the 15th July and the 15th January, the amount of prize money involving interest to Government equivalent to a rate of interest of about 2 per cent. per annum. The subscription to these Bonds up to March, 1944 amounted to Rs. 1,80,85,170.

Funding Operations.—During the year under review, the bulk of the floating debt incurred for financing of the last instalments of repatriation, was funded as will be evident from the marked decrease in the outstanding of the Treasury Bills. Besides the issue of the two new loans detailed below, the Government of India decided to create rupee counterparts in the form of $3\frac{1}{2}$ per cent. rupee paper against repayment of the $2\frac{1}{2}$ per cent. and 3 per cent. sterling stocks, the counterparts being sold by the Reserve Bank in accordance with the usual procedure. The total creations during the year amounted to Rs. 38 crores. In addition, rupee counterparts of sterling stocks for Rs. 43 lakhs were created against acquisition of stray lots of sterling stocks.

In May, 1943, a special issue of the 3 per cent. *Defence Bonds, 1946* for Rs. 20 crores was created for sale through the Reserve Bank out of which securities for Rs. 19,32,05,600 were sold up to the 31st March, 1944. The Bonds were sold throughout at a premium of Rs. 2 to 3 per cent. As, however, these Bonds are repayable in 1946 at Rs. 101 for every Rs. 100 nominal, a sum equivalent to Re. 1 per cent was taken out of the profit on sale and was funded towards payment of the amount of premium at redemption. The balance of the profit was credited to the gain or loss account connected with the repatriation scheme.

On the 16th October 1943, the issue of a new 3 per cent. *Funding loan, 1966-68* was announced, subscriptions to which were received from the 22nd to the 26th October, 1943. The issue price was fixed at Rs. 98 for every Rs. 100 nominal plus Rs. 0-2-0 per cent representing approximately interest for the period 1st October (the date of half yearly interest) to 21st October, 1943. The loan closed with a total subscription of Rs. 25,11,78,000 out of which Rs. 20,11,78,000 were taken up by subscription and the balance subsequently sold through the Reserve Bank. In January, 1944, in view of the existence of a continued investment demand for longer dated loans on the part of the institutional investors and the market generally, a special issue of Rs. 50 crores of these papers was created. Papers of Rs. 18,27,68,900 crores were sold up to 31st March, 1944.

As a result of the National Savings drive already referred to, subscriptions to the various Postal Savings showed improvement over previous years' figures. The net receipts under the several forms of Small Savings accounts during the year were as detailed below :—

							(In lakhs of Rupees).
1.	Post Office Savings Bank Deposits	..	..	..	..	..	11,96
2.	Post Office Defence Savings Bank Deposits	..	..	..	..	..	3,62
3.	Post Office Cash Certificates	..	..	..	..	..	7
4.	Post Office Ten Year Defence Savings Certificates	..	..	..	..	..	1,41
5.	Post Office Twelve Year National Savings Certificates	..	..	..	..	..	8,65
							<hr/> 25,71

Further details of these savings have been discussed in paragraph under "Unfunded Debt."

The total receipts from the various Defence Loans, investment in rupee counterparts and small savings amounted to Rs. 3,06,44 lakhs during the year as detailed below :—

	(In lakhs of Rupees.)
1. Three Year Interest Free Defence Bonds	(net) 1
2. Three per cent. loan, 1951-54 (Third Defence Loan)	14,51
3. Three per cent. Loan, 1953-55 (Fourth Defence Loan)	1,10,85
4. Three per cent. loan, 1963-65 (Fourth Issue)	15,21
5. Three per cent. Defence Bonds, 1946 (Special Issue)	19,32
6. Three per cent. Funding Loan, 1966-68	38,40
7. Sale of Rupee Counterparts	80,62
8. Five Year Interest Free Prize Bonds, 1949	1,81
9. Small Savings (as in item 6 above)	25,71
	<hr/> 3,06,44

Repayment, conversion and cancellation of Loans.—The 4 per cent. Bonds, 1943 fell due for payment on the 1st August, 1943. As it was a Sunday, the Government of India decided that repayment should be made on the preceding day i.e., the 31st July, 1943. The total outstanding balance on the 31st March, 1943 was Rs. 14,97,17,700 ; of this, Bonds of the face value of Rs. 5,45,97,600 and of Rs. 7,28,02,600 were converted into the 3 per cent. loan, 1953-55 (Fourth Defence Loan) and the Fourth Issue of the 3 per cent. Loan, 1963-65 respectively and Rs. 2,15,85,200 were repaid in cash during the year.

Rupee counterparts of the repatriated sterling stocks considered as surplus amounting to Rs. 1,34 lakhs were cancelled during the year.

The outstanding balance of the 5½ per cent. War Bonds, 1923 amounting to Rs. 46,300 and of the 4 per cent. Terminable Loan, 1915-16 amounting to Rs. 18,100 were credited to revenue during the year on the expiry of the prescribed period of 20 years after which the unclaimed balance of loans is written off the debt account. Both the loans were notified for discharge in 1923.

The new issues, repayments, cancellations and writes off detailed above together with the normal repayment of other loans in course of discharge (Rs. 2 lakhs) accounted for the increase in the permanent rupee debt by Rs. 2,59,67 lakhs as detailed below :—

<i>Additions.</i>	<i>Deductions.</i>	(In lakhs of Rupees.)
(A)—New Loans Issued—		
(1) Three-Year Interest Free Defence Bonds	4 per cent. Bonds, 1943 discharged in cash. ..	2,16
(2) 3 per cent. loan, 1951-54 (2nd Issue) Third Defence Loan	4 per cent. Bonds, converted into—	
(3) 3 per cent. loan, 1953-55 (Fourth Defence Loan)	(i) 3 per cent. loan, 1953-55 and ..	5,46
(4) 3 per cent loan, 1963-65 (Fourth Issue)	(ii) 3 per cent. loan, 1963-65 ..	7,28
(5) 3 per cent. Defence Bonds, 1946 (special issue)	Three-Year Interest Free Defence Bonds—	
(6) 3 per cent. Funding loan, 1966-68	discharged in cash	41
(7) Five Year Interest Free Prize Bonds, 1949	5½ per cent War Bonds, 1923 and 4 per cent. Terminable loan 1915-16 written off ..	1
	Loans in course of discharge	2
	Rupee counterparts cancelled	1,34
 Total (A)		<hr/> 2,37,92
(B) Rupee securities created under the Repatriation Scheme		38,43
 Total A+B		<hr/> 2,76,35
	Total (C)	<hr/> 16,68

Net addition A+B—C=Rs. 2,59,67 lakhs.

Permanent Debt-Sterling Debt.—No new loan was floated during the year but there was an addition of £39,929 *to the Sterling Debt on account of the 4 per cent. Debenture stock of the South Indian Railway, the liability of which was assumed by the Secretary of State on the termination of the company's contract on the 31st, March 1944.

The $3\frac{1}{2}$ per cent. Railway Debenture Stocks of the East Indian, Great Indian Peninsula and the Bombay, Baroda and Central India Railways, notice of redemption for which was given by the Secretary of State in the previous year, were repaid during the year in cash to the extent of £8,432,180.

Repatriation of Sterling Debt.—With the cash discharge of the $3\frac{1}{2}$ per cent. Railway Debentures noted above, the scheme of repatriation of Sterling Debt was virtually closed. Stray parcels of the Government of India's sterling stock, both dated and undated, and of Railway Debentures bought and cancelled during the year amounted to £3,162,885, total cost being Rs. 4,15,27,542. The rupee finance involved was provided by Government from their balance. The sterling liabilities now outstanding consist of the comparatively small amount of a little more than £11 millions of the Government of India Stocks and Railway Debentures. These amounts represent holdings which either fell outside the scope of the Vesting Orders or in regard to which there has been delay in surrendering the scrip for redemption.

Including the annual instalment of the Railway annuities, the cash discharge of the 5 per cent. India Stock, 1942-47, and $3\frac{1}{2}$ per cent. Stock, 1931 in course of discharge, the total transactions during the year are summarised below :—

Additions to Debt.				Reduction of Debt.			
£	s	d			£	s	d
39,929	0	0	(on account of purchase of the South Indian Railway)	By redemption of 5 per cent Stock, 1942-47.	8,795	0	0
				By redemption of $3\frac{1}{2}$ per cent Stock, 1931	724,740	10	4
				By acquisition of stray lots of vested Stocks under different schemes of repatriation..	479,954	13	2
				By acquisition of Railway Debentures ..	1,082,609	0	0
				Open market purchase of the $3\frac{1}{2}$ per cent. E.I., G.I.P. and B.B. and C.I. Railway Debentures	1,600,322	0	0
				By redemption of the above	8,432,180	0	0
				Annual instalment of the Railway annuities	2,413,229	13	3
39,929	0	0		Total	14,741,830	16	9
				Net reduction	£14,701,901	16	9

The statement below shows the position of the Sterling Debt as on the 31st March, 1944, compared with that on the 31st March, 1939, the year before the repatriation operations were started :—

	Balance on 31-3-39.	Balance on 31-3-44
	£	£
Sterling Stocks	272,720,578	10,576,696
Railway Debentures	24,666,766	577,235
	+3,539,929	
	(Since added on account of B.B.&C.I., B.N.W. and S.I. Rlys)	
Capital portion of Railway Annuities	35,863,238	24,589,315
Unexpired liability for British Government 5 per cent. War Loan, 1929-47 taken over by India	15,466,928	15,466,928
	352,251,439	51,210,194

*. Vide footnote on page 21.

As already stated earlier, the requisite amount for the annual payment of the Railway Annuities has already been deposited with His Majesty's Government. This portion of the debt may, therefore, be treated as cleared. The total sterling debt, therefore, practically stood at about £ 27 millions on the 31st March, 1944 as compared with £ 352 millions on the 31st March, 1939. Thus has India extinguished within the brief space of about four years accumulation over decades of its public indebtedness to the United Kingdom.

Unfunded Debt.—There was a net increase of Rs. 30,92 lakhs during the year under review under Unfunded Debt in India. The position in respect of the main items under the head is stated below :—

Savings Bank Deposits.—The rate of interest on Post Office Savings Bank Deposits which has been continuing for some years past at $1\frac{1}{2}$ per cent. per annum was from 1st October, 1943 raised to 2 per cent. on balances that did not fall below Rs. 200 at any time during the year. The total deposits during the year (including interest) were Rs. 36,15 lakhs against Rs. 22,98 lakhs in 1942-43 and Rs. 22,74 lakhs in 1941-42. The total withdrawals during the year were Rs. 24,19 lakhs against Rs. 22,84 lakhs in 1942-43 and Rs. 30,18 lakhs in 1941-42. There was, therefore, a net receipt of Rs. 11,96 lakhs against a net receipt of Rs. 14 lakhs only in 1942-43 and a net outgo of Rs. 7,44 lakhs in 1941-42. The total deposits under the Indian Post Office Defence Savings Bank started in 1941 were Rs. 3,63 lakhs against Rs. 30 lakhs in 1942-43 and Rs. 11 lakhs in 1941-42. There has been no change in the rate of interest on these deposits which continues to be $2\frac{1}{2}$ per cent. per annum free of Income-tax. These deposits are not ordinarily to be withdrawn till one year after the termination of the war.

Post Office Cash Certificates.—There was no change in the issue price of the Post Office Cash Certificate, the yield, thereon, continuing at approximately $2\frac{1}{2}$ per cent. compound interest free of income-tax. The total sales of these certificates during the year amounted to Rs. 5,50 lakhs against Rs. 3,76 lakhs in 1942-43 and Rs. 3,97 lakhs in 1941-42. Encashments during the year were Rs. 5,43 lakhs against Rs. 8,20 lakhs in 1942-43 and Rs. 11,94 lakhs in 1941-42. After years of continuous net outgo, there has been a net receipt of Rs. 7 lakhs under this head during the year.

Post Office Ten Year Defence Savings Certificates.—The yield on these certificates for a complete period of 10 years continued to be approximately $3\frac{1}{2}$ per cent. compound interest free of Income-tax. The sales of these certificates were, however, stopped from the 1st October, 1943 when these certificates were replaced by the Post Office Twelve Year National Savings certificates. The total sales of the Post Office Ten Year Certificates during the Year amounted to Rs. 2,43 lakhs against Rs. 2,02 lakhs in 1942-43 and Rs. 2,81 lakhs in 1941-42. Encashments during the year were Rs. 1,02 lakhs against Rs. 81 lakhs in 1942-43 and Rs. 75 lakhs in 1941-42. The total net investments in these certificates since their introduction in June 1940 up to the 30th September, 1943 when they were discontinued amounted to Rs. 7,46 lakhs. The outstandings of these certificates at the end of 1943-44 were Rs. 6,97 lakhs.

Post Office Twelve Year National Savings Certificates.—These certificates are ordinarily unencashable for the first three years but give an yield to maturity of nearly $3\frac{1}{2}$ per cent compound interest free of Income-tax. The total sales of these certificates amounted to Rs. 8,66 lakhs during the year, out of which Rs. 56 thousands were encashed under certain conditions admissible under the rules.

State Provident Funds.—The net receipts under these heads amounted to Rs. 4,78 lakhs during the year. The balance on the 31st March, 1944 stood at Rs. 88,74 lakhs against Rs. 83,96 lakhs on the 31st March, 1943.

Other accounts.—The net receipts under these heads amounted to Rs. 47 lakhs during the year. The balance on the 31st March, 1944 stood at Rs. 10,89 lakhs against Rs. 10,42 lakhs on the 31st March, 1943.

Floating Debt.—The total of the Treasury Bills outstanding at the end of the year was Rs. 1,10,61 lakhs compared with Rs. 2,64,70 lakhs at the close of the year 1942-43. The marked reduction was due to the success of the borrowing programme of the Government, almost the entire temporary liability incurred as a result of sterling debt repatriation operations being funded during the year. The total amount of advances taken by the Government during the year dropped to Rs. 34 crores as against Rs. 1,64 crores in 1942-43. Of the total advances taken during the year, Rs. 22 crores were borrowed during the first quarter and a further Rs. 12 crores in September 1943, all for temporary periods. No advances were taken during the remainder of the year and none were outstanding at the end of the year.

Cash Balance.—The cash balance at the end of the year was Rs. 83,66 lakhs against Rs. 18,23 lakhs at the end of 1942-43 resulting in an increase in the cash balance by Rs. 65,43 lakhs.

The statement below shows how the net addition to the outstanding debt of the Central Government (Rs. 1,31,71 lakhs) and the net receipts under Deposits and Advances (Rs. 1,92,12 lakhs) have been utilised :—

Receipts.		Disbursements.	
	(In lakhs of Rupees.)		(In lakhs of Rupees.)
Increase in Debt .. ..	.. (a) 1,31,71	Revenue Deficit .. ..	.. 1,89,90
Deposits and Advances (net)—		Capital expenditure outside the	
Depreciation Fund Rlys .. ..	.. 10,72	revenue account (including Rs. 38	
Rly. Reserve Fund .. ..	.. 13,20	crores on account of Defence Capital	
Other Deposits—bearing interest	.. 37,01	Outlay)	64,50
Sinking Fund for Central Loans	.. 95	Remittances	4,33
Other appropriations .. ..	.. 2,05	Transfer of Cash between England and	
Central Road Fund .. ..	.. 92	India	—33
Civil Deposits .. ..	.. 9,92	Addition to Cash	65,43*
Other Deposits .. ..	.. 8,31		
Transactions connected with the War,			
1939 .. ..	.. 13,89		
Other Accounts .. ..	.. 32,69		
Purchases and sales of Silver	.. 9,67		
Suspense .. ..	.. 56,87		
Advances .. ..	.. —6,69		
Miscellaneous Items (net) .. ..	.. 2,61		
	1,92,12		
Total .. ..	.. 3,23,83	Total	3,23,83

SERVICE OF DEBT.

(i) Interest on Debt and Other Obligations.

12. The total amount paid by the Central Government during the year out of its current revenue on account of interest charges on its debt and on certain other

(a) Actual increase in debt is Rs. 1,31,76 lakhs which takes into account Rs. 5 lakhs equivalent of £22,9 '9 taken into loan balance without financial adjustment vide foot note (a) on page 21

* Cash Balance on 1st April, 1943	Rs. 18,23,15,468
Cash Balance on 31st March, 1944	Rs. 83,65,80,811
Increase	Rs. 65,42,65,343

obligations, such as deposits in the Depreciation Reserve and other Reserve Funds of Railways and other commercial departments and undertakings, etc. was Rs. 42,88 lakhs distributed broadly as under :—

					(In lakhs of Rupees.)
(1) Interest on Ordinary Debt (Including Floating Debt)	..	....	..		31,53
(2) Interest on Unfunded Debt which consists, mainly of Provident Funds of Government servants, Savings Bank Deposits and Post Office Cash Certificates, etc.	..	..	..	..	6,78
(3) Interest on Other Obligations	..	..	..	....	4,57
Total.					42,88

A substantial portion of the Central Government's debt was incurred for the benefit of Railways and other commercial departments and undertakings for financing their capital expenditure and a share of the interest charges is transferred to the debit of these departments. Similarly, interest paid by the Provincial Governments on the outstanding balances of advances made to them from time to time out of the borrowed money, is taken in reduction of the gross interest charges. The total recovery on both these accounts came to Rs. 33,61 lakhs in 1943-44. The details of these charges will be found in account No. 5 of Part A. II.—Accounts

Taking into account the recoveries mentioned above and the interest portion of equated payments on account of commuted value of pensions (Rs. 18 lakhs) which is also taken in reduction of gross interest, the net burden which fell on the Central Civil Estimates during the year under review was roughly Rs. 9,09 lakhs. Against this, the Government received interest on certain accounts which amounted to Rs. 1,62 lakhs in the year under review. This includes receipts on account of interest on (i) Loans and Advances by the Central Government to other than Provincial Governments (Rs. 47 lakhs) (ii) Silver Redemption Reserve holdings (Rs. 24 lakhs) and (iii) Deposit with His Majesty's Government of the money in connection with the funding of the Railway Annuities *vide* paragraph on Repatriation of Sterling Debt (Rs. 87 lakhs).

(ii) *Reduction or Avoidance of Debt.*

13. Under the Scheme of Debt Redemption originally adopted by the Central Government for five years from 1925-26 to 1929-30 which, with certain minor changes, continued to operate till 1932-33. the annual charge against the Central Revenues for the purpose of making provision for reduction or avoidance of debt was to consist of :—

- (i) A sum of Rs. 4 crores *plus*
- (ii) A sum representing one eightieth of any excess in the total of the debt outstanding at the end of the preceding year over the total outstanding on the 31st March, 1923.

This annual charge was, according to the scheme, to be applied towards meeting the following expenditure of an obligatory character involving actual redemption of debt :—

- (a) Railway Sinking Funds in operation,
- (b) Depreciation Funds of 1½ per cent. on the existing 5 per cent. Rupee loans for which Sinking Funds were established,
- (c) The Capital portion of the liabilities assumed in respect of the British 5 per cent. War Loan, 1929-47, and
- (d) The Capital portion of Railway annuities.

The actual provision in 1924-25, the year before the scheme was applied was Rs. 3.78 crores and in 1932-33 the amount rose to Rs. 6.84 crores. In 1933-34 however, the Central Government with the concurrence of the Secretary of State for India, decided to reduce the provision to a round sum of Rs. 3 crores only in view of the strengthening of the general financial position.

This reduced provision was to be regarded as covering the obligatory charges mentioned in (a) and (b) and a part of (d) i.e., the Capital portion of Railway Annuities.

As a result of the Repatriation of the Sterling Debt, under which practically the entire Sterling debt of the Government of India has been repaid and of the lump sum deposits with His Majesty's Government for annual payment of the instalment of the Railway Annuities till their final repayment in 1959, there was no longer any necessity for separate provision for item (a) and (d). The annual provision of Rs. 3 crores was, therefore, with effect from 1943-44, regarded as covering the depreciation fund of 1½ per cent on the existing 5 per cent Rupee Loan, 1945-55, for which a Sinking Fund was established. The appropriation for this item during the year under report was Rs. 95,04,000. The balance of the provision viz. Rs. 2,04,96,000 was credited to a deposit head which closed to Government Account at the end of the year and thus was merged in general balances.

This sum of Rs. 3 crores has been charged to Revenue during 1943-44 and has been shown in the Appropriation Accounts of Grant No. 11—Interest on Debt and other Obligations and Reduction or Avoidance of Debt against sub-heads N and O.

The appropriation to the Depreciation Fund of the 5 per cent. Rupee Loan 1945-55 was made in accordance with the undertaking given by the Central Government at the time of the flotation of the loan.

In addition to the amount mentioned above, the following amounts were also debited to Revenue :

(1) Discount on Loans debited to the major head, "22-Interest on Debt and Other Obligations"	Rs. 1,03 lakhs
(2) Write back of the amount from the Capital major head "83—Payments of Commuted value of Pensions" to the Revenue Section of the Accounts.	57 lakhs
Total ..	1,60 lakhs

These adjustments virtually amounted to further appropriation from revenues for reduction or avoidance of debt.

The question of increased provision for reduction or avoidance of debt more in keeping with the size of Capital Debt, was raised by the Public Accounts Committee on more than one occasion. The Committee recommended that the Finance Department should examine whether in addition to the annual provision of Rs. 3 crores for reduction or avoidance of debt, there should not be a separate provision for amortisation of the Railway Debt, once the first quinquennium of the Niemeyer Award was over. In view, however, of the prevailing deficit budgets on account of the war, the Central Government decided to postpone consideration of this question till a more suitable occasion. The Public Accounts Committee considered the question again in their meeting of 1942. They agreed that, so long as the war lasts, the implementing of their recommendations is not practicable. They, however, desired that this important matter should not be lost sight of but be pursued after the war.

LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT.

14. The transactions under this head and the balances outstanding at the beginning and the end of the year are given in the following table :—

(In thousands of Rupees.)

Heads of account.	Balance on 1st April, 1943.	Advances made in 1943-44.	Total.	Recoveries in 1943-44.	Balance on 31st March 1944
(1)	(2)	(3)	(4)	(5)	(6)
Advances to Provincial Governments.	1,11,11,50	13,62,48	1,24,73,08	26,03,48	98,70,59
Advances to Crown Representative.	24,10	4,88	29,07	12,05	17,02
Loans to Indian States ..	8,04,20	9,15	8,13,35	2,07,89	6,05,46
Loans to Local Funds, etc. ..	10,39,32	98,02	11,37,34	1,44,85	9,92,49
Loans to Government Servants	7,57	11,33	18,90	9,86	9,04
Total ..	1,29,86,78	14,85,86	1,44,72,64	29,78,13	1,14,94,51

Advances to Provincial Governments.—This head records the loans to the Provincial Governments including the balances of their liabilities to the Provincial Loans Fund on the 31st March, 1937, which had not been cancelled under the scheme for the decentralisation of balances and the cancellation and consolidation of debt on the introduction of Provincial Autonomy. The capitalised value of the subvention on the 1st April, 1944 payable by the Central Government to Sind under paragraph 9 of the Government of India (Distribution of Revenues) Order, 1936 amounts to Rs. 14,71,27,330 and should be set off against the outstanding Lloyd Barrage Debt on that date. This amount will be written off to Government account without financial adjustment.

Advances to Crown Representative.—This head records the advances required by the Crown Representative for making loans to Indian States, Notabilities, etc., and the recoveries thereof.

Loans to Indian States.—This head records (i) the balances of and the transactions in connection with the loans granted by the Central Government prior to the 1st April, 1937, and (ii) loans to Indian States subsequent to that date in pursuance of direct arrangement with the States—in most cases a business one.

Out of the total outstanding balance of 6,05,46, a sum of 5,58,98 represents the amount due from the Bahawalpur State. It also includes 1,50 outstanding against two Indian States in the North-West Frontier Province and is free of interest.

Loans to Local Funds, etc.—This head includes advances of the following classes :—

	Balance on 31st March 1944.		Balance on 31st March 1944.
Loans to Major Port Trusts and Port Funds	5,96,60	Loans to Landholders and other Notabilities	26
Loans to Municipalities	62,21	Advances to Cultivators	21,43
Regimental and Other Loans ..	1,34,37	Advances under Special Laws ..	46,91
Loans to District and other Local Fund Committees	59,10	Miscellaneous Loans and Advances ..	71,55
		Total ..	9,92,49

GUARANTEES GIVEN BY THE CENTRAL GOVERNMENT IN RESPECT OF LOANS RAISED BY PROVINCIAL GOVERNMENTS, RAILWAY COMPANIES, LOCAL BODIES, ETC.

15. The Statement below shows Capital or Loans raised by the Railway Companies, not treated as Capital contributed by Companies towards outlay on State Railways in Government Accounts, on which guarantees in respect of interest on share capital and interest and repayments of debenture capital have been given by the Government. It does not include the share capital and debentures contributed by Railway Companies towards outlay on certain State Railways worked by those Companies on which also guarantees have been given by the Government. The liabilities in all the above cases are not, however, of the nature of direct obligations incurred by the Government and, therefore, not considered as part of the Public Debt.

Railways.	Particulars of loan.	Rate of interest.	Actual amount of loan raised on which guarantee has been given by the Government.
(1)	(2)	(3)	(4)
			Rs.
1. Futwa-Islampur ..	Share capital ..	3½%.	11,49,700
	Loans ..	5 %.	7,50,000
2. Dasghara-Jamalpurganj (Bengal Provincial).	Share capital ..	4 % of which 3½% guaranteed by Government and ½% by Bengal Provincial Railway.	3,34,000
	Loans ..	6 %	3,370
3. Ahmadpur-Katwa ..	Share capital ..	3½ %.	17,24,000
	Debentures ..	3½ %.	3,00,000
	Loans ..	Imperial Bank rate (now 3½%)	68,265
4. Bankura-Damodar River	Share capital ..	3½ %.	34,00,000
	Debentures ..	3½ %.	4,00,000
	Overdraft ..	Imperial Bank rate (now 3½%)	2,62,180
5. Burdwan-Katwa ..	Share capital ..	3½ %.	17,80,000
	Debentures ..	3½ %.	3,50,000
6. Kalighat-Falta ..	Share capital ..	3½ %.	19,50,000
	Debentures ..	4½ %.	3,00,000
	Do. ..	4 %.	1,50,000
7. Chaparmukh-Silghat	Share capital ..	3½ %.	31,00,000
	Loans ..	5 %.	1,50,000
	Do. ..	3½ %.	1,00,000
	Do. ..	4 %.	17,152
8. Katakhal Lala Bazar	Share capital ..	3½ %.	8,91,100
	Debentures ..	4 %.	6,50,000
		Total ..	1,78,29,767

SUMMARY OF GENERAL FINANCIAL POSITION.

16. In view of the improvement in the military situation in Europe and Africa, the allies gave up their defensive rôle in India and with India as the main base, began preparations for offensive operations against Japan, which continued to hold the Eastern frontier of India. India was thus again called upon to supply both men and materials for these offensive operations. Defence expenditure in consequence, both on revenue and capital accounts, rose to Rs. 405 crores against Rs. 216 crores originally budgeted for and Rs. 271 crores in the accounts for 1942-43, registering an increase of about 50 per cent. over the corresponding figure of 1942-43. The revenue deficit which was estimated at Rs. 41 crores actually turned out to be Rs. 190 crores. Despite the imposition of further direct and indirect taxation and handsome contribution from the two Commercial Departments—the Indian State Railways and

the Indian Posts and Telegraphs Department—the huge deficit had to be covered mainly by borrowing.

Owing to the continued strain on financial and physical resources and the rapid increase of expenditure on military services and supplies, the economic situation of the country became as grave as the military situation. Government had to adopt effective measures to counteract the inflationary tendencies which were the result of an almost universal shortage of consumer goods combined with a marked increase in the money income of the people. The rise in the general level of prices was even steeper than in 1942. In fact, India had to face two major crisis during the year, firstly of the speculative mania induced by the feeling that the Government would be unable by appropriate counter measures to offset the effect of the heavy expenditure which had to be incurred on war measures and secondly, the food crisis induced by the fear that it would be beyond the power of Government to control the situation created as a result of the cessation of food imports, a bad harvest in Bengal, hoarding by ryots and speculators and increased consumption, further aggravated by difficulties in transportation, owing to pressure on the internal transport system of the country. Resolute and sometimes drastic action was taken by the Government, both in the monetary sphere and in the realm of commodity control, resulting in an undoubted improvement in the economic situation, as evidenced by the degree of price stability.

The borrowing programme of the Government was directed towards bringing in additional funds to finance the war, and re-absorbing the surplus money in the hands of the public, thereby countering inflation. The programme was wide and varied enough to induce the different classes of people, including the small earners, to subscribe to the Government loans. The total borrowing during the year amounted to Rs. 306 crores as against Rs. 106 crores in 1942-43. The noteworthy feature of the borrowing programme during the present war has been the maintenance of the rate of interest at 3 per cent. per annum throughout. This has helped to ease the relative burden of debt on Governmental finances in contrast to the high and rising terms of borrowing during the last Great War.

The total gross debt of the Central Government at the end of the year including unfunded debt was Rs. 1,415 crores of which sterling obligation accounted for Rs. 72 crores. Against this, a sum of Rs. 115 crores was due from the Provincial Governments, Indian States and Local Bodies, etc., on account of loans granted to them. Net debt outstanding at the end of the year was, therefore, Rs. 1,300 crores against Rs. 1,168 crores at the beginning of the year i.e., a net increase of Rs. 132 crores. Government of India securities of the face value of Rs. 55 crores were held in the Cash Balance Investment Account for cancellation or sale to the public. This sum as well the amount (Rs. 33 crores) equivalent to the outstanding Railway annuities which have since been funded should also be taken as a set off against the total liabilities of Rs. 1,300 crores.

By far the greater portion of the debt was, however, what may compendiously be termed productive. The total net liability of Government (including Rs. 14 crores on account of capital contributed by Railway Companies) was Rs. 1,314 crores. Against this liability, a sum of Rs. 810 crores represents capital invested in Railways, Posts and Telegraphs and Irrigation works which are all productive. This forms nearly 62 per cent. of the total liabilities of which the largest share is absorbed by Railways. Taking into account the amount of Rs. 88 crores mentioned above and the actual cash balance (Rs. 84 crores), the total uncovered debt comes to Rs. 332 crores. This also may not be taken as wholly unproductive, for the large defence capital outlay cannot be deemed entirely unremunerative; likewise, the large outlay on Central Government property, the value of which is either not shown at all in Government account or is shown only as non-commercial (such as the Delhi Capital

Outlay), is not without value. The statement in account No. 6 shows the total progressive capital expenditure outside the revenue account.

During the year, interest charges on debt and other obligations amounted to Rs. 42·88 crores. Out of this, interest charges to the extent of Rs. 33·79 crores were paid by productive enterprises or by the Provincial Governments. Therefore, the actual debit to the Government of India by way of interest charges was Rs. 9·09 crores. The arrangement made by the Central Government for the amortisation of the public debt has been described in paragraph 13.

The sterling balances held by the Reserve Bank of India (as a result of recovery of war expenditure from His Majesty's Government and Allied Governments and purchases from the market on current trade account) continued to accumulate during the year. So far as the concurrent utilisation was concerned, the possibilities of repatriation of sterling debt have very nearly been exhausted as practically the final stage of the programme of repatriation was reached during the year. The sterling liabilities now outstanding consist of about £11 millions only of Government of India stocks and Railway debentures excluding Railway annuities which have been funded. As a further measure of residual repatriation, arrangements have been made for the acquisition of the M. & S. M. and the S. I. Railways on the 1st April, 1944 which is expected to absorb a sum of about £6 millions. The Government have also been considering the proposal that something in the nature of a "Reconstruction Fund" should be constituted to provide for the financing of the programme of Post-war Reconstruction in which the large accumulated sterling balances might be usefully utilised.

The recovery in the gilt-edged market which commenced in May, 1942 continued almost without interruption throughout 1943-44 and during the last quarter, prices touched the highest levels recorded since the war began. The 3½ per cent. rupee paper which had closed at Rs. 94 in March, 1943 continued at that level upto the end of June, 1943. The issue of 3 per cent. loan, 1953-55 (Fourth Defence Loan) and a further issue of 3 per cent. loan, 1963-65 (4th Issue) coupled with the decision of the Government of India to create further rupee counter parts in the form of 3½ per cent. rupee paper had a favourable effect on the gilt-edged market and both the terminable and non-terminable loans tended to improve on a good investment demand since July, 1943. The 3½ per cent. rupee paper began to advance steadily (except for a temporary set back in November) and in the first week of March, 1944 the quotation touched Rs. 99-6-0, the highest levels since the outbreak of the war. The prices of other loans also moved in sympathy, closing prices in most of the cases showing improvement over the last year's closing prices. In December, 1943 the Government of India, by a notification, further revised the minimum prices of Government securities originally fixed in March, 1942 and revised upward in September of that year. The new minima were in most cases higher than those fixed earlier. The minima for the Provincial loans fixed in September, 1942 were, however, left untouched.

The year under review witnessed a further expansion of note issue. Total notes issued stood at Rs. 894·84 crores at the end of 1943-44 as compared with Rs. 655·11 crores at the end of the previous year, showing an increase of 36·60 per cent.

Under "Deposits and Advances, etc.," the receipts exceeded the disbursements by about Rs. 188 crores. As stated in paragraph 11, these as well as the increase in debt (Rs. 132 crores) were utilised mainly to meet the revenue deficit of the year (Rs. 190 crores) and the capital expenditure outside the revenue account (Rs. 65 crores) thereby leaving the remainder (Rs. 65 crores) to form an addition to the cash balance of the Central Government.

A.—GENERAL FINANCE ACCOUNTS.

II.—ACCOUNTS.

No. 1.—GENERAL ABSTRACT OF RECEIPTS AND DISBURSEMENTS.

Receipts.	Actuals for 1943-44.	Disbursements.	Actuals for 1943-44.
(1)	(2) Rs.	(3)	(4) Rs.
REVENUE—		EXPENDITURE—	
Principal Heads of Revenue—	..	Direct Demands on the Revenue	.. 6,11,63,576
Customs	26,55,70,860		
Central Excise Duties	24,93,61,157		
Corporation Tax	51,27,75,290		
Taxes on Income other than Corpora- tion Tax	58,36,79,637		
Salt	8,33,77,637		
Opium	80,22,835		
Other Heads	1,72,57,574		
Total—Principal Heads ..	1,72,01,45,050		
Railways — Net Revenue ..	80,01,16,395	Railways — Interest and Miscellaneous charges	42,37,52,907
Irrigation — Net Receipts ..	2,54,131	Irrigation	7,70,480
Posts and Telegraphs—Net Receipts	9,90,56,346	Posts and Telegraphs	93,99,179
Debt Services	1,62,15,213	Debt Services	12,09,20,513
Civil Administration	1,38,93,336	Civil Administration	18,68,19,696
Currency and Mint	9,96,67,272	Currency and Mint	2,26,41,390
Civil Works and Miscellaneous Pub- lic Improvements	54,62,034	Civil Works and Miscellaneous Pub- lic Improvements	55,93,661
Miscellaneous	2,28,89,849	Miscellaneous	5,26,14,686
Defence Receipts	9,60,40,561	Defence Services	3,68,00,81,573
Extraordinary Items	15,43,12,364	Contributions and Miscellaneous Adjustments between Central and Provincial Governments ..	5,75,92,775
		Extraordinary Items	30,65,69,740
		Capital Expenditure within the Revenue Account (Details by Major Heads are given in Account No. 2)	—2,72,410
Total—Revenue Receipts (A) ..	3,02,86,57,461	Total—Expenditure on Revenue Account (A)	4,92,76,47,946
Public Debt incurred	9,82,26,22,042	Capital Outlay outside the Revenue Account (Details by Major Heads are given in Account No. 2)	64,50,69,750
Unfunded Debt incurred	69,10,87,486	Public Debt discharged	8,96,33,25,145
Deposits and Advances	5,93,39,21,891	Unfunded Debt discharged	38,24,84,925
Loans and Advances by the Central Government	29,78,13,374	Deposits and Advances	4,01,27,28,514
		Loans and Advances by the Central Government	14,85,85,701
Remittances	17,89,02,97,893	Remittances	17,93,36,26,157
Transfer of Cash between England and India	2,77,94,81,797	Transfer of Cash between England and India	2,77,61,48,463
Total—Receipts ..	40,44,38,81,944	Total—Disbursements ..	39,78,96,16,601
Opening Balance (B) ..	18,23,15,468	Closing Balance (B) ..	83,65,80,811
GRAND TOTAL ..	40,62,61,97,412	GRAND TOTAL ..	40,62,61,97,412

(A) Revenue deficit during the year Rs. 1,89,89,90,485

(B) Increase of Balance during the year was Rs. 65,42,65,343.

No. 2.—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS.

Heads of Revenue. (1)	Actuals for 1943-44. (2) Rs.	Heads of Expenditure. (3) Rs.	Actuals for 1943-44.		
			Non-voted. (4) Rs.	Voted. (5) Rs.	Total. (6) Rs.
A.—Principal Heads of Revenue—		A.—Direct Demands on the Revenue—			
I.—Customs ..	26,56,70,860	1.—Customs ..	13,49,368	76,48,987	89,98,355
II.—Central Excise Duties ..	24,93,61,157	2.—Central Excise Duties ..	86,37,971	43,21,961	1,28,59,932
III.—Corporation Tax ..	51,27,75,290	3.—Corporation Tax ..	79,524	38,08,385	38,87,909
IV.—Taxes on Income other than Corporation Tax ..	58,36,79,637	4.—Taxes on Income other than Corporation Tax ..	77,334	58,26,686	59,04,020
V.—Salt ..	8,33,77,697	5.—Salt ..	45,53,052	83,32,865	1,28,85,917
VI.—Opium ..	80,22,835	6.—Opium ..	74,945	80,98,983	81,73,928
VII.—Land Revenue ..	33,21,790	7.—Land Revenue ..	7,19,142	3,30,082	10,49,224
VIII.—Provincial Excise ..	48,07,778	8.—Provincial Excise ..	98,341	3,89,458	4,87,799
IX.—Stamps ..	70,54,436	9.—Stamps ..	3,25,454	47,10,256	50,35,710
X.—Forest ..	6,61,059	10.—Forest ..	5,97,074	9,12,658	15,09,732
XI.—Registration ..	1,95,398	11.—Registration ..	5,623	9,947	15,570
XII.—Receipts under Motor Vehicles Acts ..	5,98,251	12.—Charges on account of Motor Vehicles Acts ..		3,46,660	3,46,660
XIII.—Other Taxes and Duties ..	6,15,859	13.—Other Taxes and Duties ..	653	8,167	8,820
Total A.—Principal Heads of Revenue	1,72,01,45,050	Total A.—Direct Demands on the Revenue	1,64,18,481	4,47,45,095	6,11,63,576
B.—Railway Revenue Account—		B.—Railway Revenue Account—			
XV-A.—State Railways—		15-A.—State Railways—			
Commercial Lines—		Commercial Lines—			
Gross Receipts ..	1,83,08,22,084	Interest on Debt ..	26,84,29,645	2,07,508	36,86,37,153
Deduct—		Interest on Capital contributed by Companies and Indian States ..	48,75,562		48,75,562
Working Expenses ..	—1,03,70,89,047	15-B.—State Railways—			
Share of surplus profits paid to Indian States and Railway Companies ..	—87,41,796	Strategic Lines—			
Payments to worked lines ..	—1,88,77,202	Interest on Debt ..	1,18,18,768		1,18,18,768
Net Receipts ..	76,61,14,039	15-C.—Subsidised Companies ..		4,10,512	4,10,512
XV-B.—State Railways—		15-D.—Miscellaneous Railway Expenditure—			
Strategic Lines—		Commercial Lines ..	21,32,339	37,45,580	58,77,919
Gross Receipts ..	2,31,38,930	15-E.—Miscellaneous Railway Expenditure—			
Deduct—Working Expenses ..	—3,23,02,665	Strategic Lines ..	71,918	54,033	1,25,951
Net Receipts ..	—91,63,735	15-F.—Transfer to Railway Reserve Fund ..		1,20,07,042	13,20,07,042
XVI.—Subsidised Companies ..	4,86,063				
XVI-A.—Railway Miscellaneous Receipts—					
(a) Commercial Lines ..	4,12,29,213				
(b) Strategic Lines ..	14,50,725				
Total XVI—A. ..	4,26,79,938				
Total B.—Railway Revenue Account	80,01,16,305	Total B.—Railway Revenue Account	28,73,28,232	13,64,24,675	42,37,52,907

No. 2.—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS—*contd.*

Heads of Revenue, (1)	Actuals for 1943-44. (2) Rs.	Heads of Expenditure, (3)	Actuals for 1943-44.		
			Non-voted. (4) Rs.	Voted. (5) Rs.	Total. (6) Rs.
C.—Irrigation, Navigation, Embankment and Drainage Works—		C.—Revenue Account of Irrigation, Navigation, Embankment and Drainage Works—			
XVII.—Works for which Capital Accounts are kept—		17.—Interest on Works for which Capital Accounts are kept ..	6,48,479	..	6,48,479
Gross Receipts ..	7,30,448	18.—Other Revenue Expenditure financed from Ordinary Revenues	—26,948	1,48,949	1,22,001
Deduct—Working Expenses ..	—5,53,616				
Net Receipts ..	1,76,802				
XVIII.—Works for which no Capital Accounts are kept ..	77,329				
Total C.—Irrigation, etc. ..	2,51,131	Total C.—Irrigation, etc.—Revenue Account ..	6,21,531	1,48,949	7,70,480
D.—Posts and Telegraphs—		D.—Posts and Telegraphs Revenue Account—			
XIX.—Posts and Telegraphs—		20.—Posts and Telegraphs—			
Gross Receipts ..	25,17,32,756	Interest on Debt ..	93,99,159	..	93,99,159
Deduct—Working Expenses ..	—15,20,76,410				
Net Receipts ..	9,96,56,346				
E.—Debt Services—		E.—Debt Services—			
XX.—Interest ..	1,02,15,213	22.—Interest on Debt and other Obligations—			
		A.—Interest on Ordinary Debt—			
		(i) Rupee Debt ..	28,41,46,775	29,15,511	28,70,62,286
		(ii) Sterling Debt ..	2,78,54,486	92,024	2,79,46,510
		B.—Interest on Unfunded Debt ..	6,17,61,020	60,25,248	6,77,86,268
		C.—Interest on other Obligations ..	4,58,40,194	1,333	4,58,41,527
		D.—Transfers—			
		Deduct—Interest transferred to Commercial Departments—			
		Railways ..	—28,02,96,169	..	—28,02,96,169
		Irrigation ..	—6,48,479	..	—6,48,479
		Posts and Telegraphs ..	—99,04,109	..	—99,04,109
		Salt ..	—3,78,149	..	—3,78,149
		Other Commercial Departments ..	—5,07,368	..	—5,07,368
		Interest paid by Provincial Governments and the Government of Coorg ..	—4,41,76,261	..	—4,41,76,261
		Interest portion of equated payments on account of commuted value of pensions ..	—18,05,543	..	—18,05,543
		Total Transfers ..	—33,77,16,078	..	—33,77,16,078
		Total (Net) 22, Interest, etc.	8,18,86,397	90,34,116	9,09,20,513

No. 2.—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS—*contd.*

Heads Revenue. (1)	Actuals for 1943-44. (2) Rs.	Heads of Expenditure. (3)	Actuals for 1943-44.		
			Non-voted. (4) Rs.	Voted. (5) Rs.	Total. (6) Rs.
		E.—Debt Services— <i>concl'd.</i>			
		23.—Appropriation for Reduction or Avoidance of Debt	3,00,00,000	..	3,00,00,000
		Total E.—Debt Services ..	11,18,86,397	90,34,116	12,09,20,513
F.—Civil Administration—		F.—Civil Administration—			
XXI.—Administration of Justice	3,82,118	25.—General Administration—			
XXII.—Jails and Convict Settlements ..	98,280	A.—Heads of Provinces (including Governor General, Executive Council and Ministers) ..	34,16,215	3,46,322	37,62,537
XXIII.—Police ..	90,832	B.—Legislative Bodies ..	63,194	9,58,258	10,11,452
XXIV.—Ports and Pilotage ..	15,46,695	C.—Secretariat and Headquarters Establishments	1,02,55,743	1,14,59,212	2,17,14,955
XXV.—Lighthouses and Lightships	8,31,325	E.—District Administration	9,46,347	6,21,447	15,67,794
XXVI.—Education	3,03,384	G.—Miscellaneous ..	1,40,502	1,19,833	—29,669
XXVII.—Medical	2,81,163	H.—Charges in England—			
XXVIII.—Public Health ..	13,01,980	A.—Secretary of State for India ..	14,31,684	79,530	15,11,214
XXIX.—Agriculture	3,31,075	B.—High Commissioner for India ..	14,33,408	21,25,927	35,59,335
XXX.—Veterinary	5,78,666	Total 25.—General Administration	1,73,87,089	1,57,10,529	3,30,97,618
XXXI.—Co-operation ..	1,162	26.—Audit ..	6,50,164	96,85,273	1,03,35,437
XXXII.—Industries	2,77,111	27.—Administration of Justice ..	5,62,550	5,54,498	11,17,048
XXXIII.—Aviation	9,27,148	28.—Jails and Convict Settlements ..	3,75,325	6,54,473	10,29,798
XXXIV.—Broadcasting	22,63,740	29.—Police ..	15,61,953	2,51,77,014	2,67,38,967
XXXV.—Miscellaneous Departments	47,13,617	30.—Ports and Pilotage—			
		A.—Major Ports—			
		(1) Pilot Service ..	5,11,194	9,72,145	14,83,339
		(2) Other Charges ..	3,40,850	23,55,332	26,96,222
		Total 30.—Ports and Pilotage	8,52,084	33,27,477	41,79,561
		31.—Lighthouses and Lightships ..	10,076	8,29,969	8,40,045
		32.—Ecclesiastical ..	6,85,734	..	6,85,734
		33.—Payments to Crown Representative ..	1,33,81,143	..	1,33,81,143
		34.—Tribal Areas ..	2,83,47,181	..	2,83,47,181
		35.—External Affairs ..	1,12,95,006	..	1,12,95,006
		36.—Scientific Departments	10,58,676	46,93,299	57,51,974
		37.—Education—			
		A.—University ..	..	15,68,801	15,68,801
		B.—Secondary ..	1,84,631	8,28,833	10,13,464
		C.—Primary ..	1,75,058	4,77,408	6,52,466
		D.—Special ..	10,212	3,98,734	4,08,946
		E.—General ..	99,310	1,40,366	2,39,676
		F.—Charges in England ..	1,331	9,283	10,614
		Total 37.—Education ..	4,70,542	34,23,425	38,93,967
		38.—Medical ..	7,78,459	22,27,810	30,06,269
		39.—Public Health ..	2,03,894	18,28,989	20,32,883
		40.—Agriculture ..	1,15,88,582	1,03,38,134	2,19,26,716
		41.—Veterinary ..	92,192	11,45,264	12,37,456
		42.—Co-operation ..	..	70,068	70,068
		43.—Industries ..	..	24,16,829	24,16,829
		44.—Aviation ..	..	65,98,468	65,98,468
		45.—Broadcasting ..	12,905	58,04,639	58,17,544
		47.—Miscellaneous Departments ..	2,15,032	28,05,152	30,20,184
Total F.—Civil Administration ..	1,38,98,336	Total F.—Civil Administration ..	8,95,28,586	9,72,91,310	18,68,19,896

No. 2.—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS—*contd.*

Heads of Revenue. (1)	Actuals for 1943-44. (2) Rs.	Heads of Expenditure. (3)	Actuals for 1943-44.		
			Non-voted (4) Rs.	Voted (5) Rs.	Total (6) Rs.
G.—Currency and Mint—		G.—Currency and Mint—			
XXXVII.—Currency ..	8,19,28,737	48.—Currency	2,59,745	91,43,110	94,02,855
XXXVIII.—Mint ..	1,77,38,535	49.—Mint	1,08,036	1,31,30,499	1,32,38,535
Total G.—Currency and Mint ..	9,96,67,272	Total G.—Currency and Mint ..	3,67,781	2,22,73,609	2,26,41,390
H.—Civil Works and Miscellaneous Public Improvements—		H.—Civil Works and Miscellaneous Public Improvements—			
XXXIX.—Civil Works ..	54,62,034	50.—Civil Works ..	62,88,479	3,05,182	55,93,661
J.—Miscellaneous—		J.—Miscellaneous—			
XLII.—Receipts from Indian States ..	61,41,405	54.—Famine .. ..	..	97,588	97,588
XLIV.—Receipts in aid of Superannuation ..	15,74,569	55.—Superannuation Allowances and Pensions ..	1,41,76,263	1,19,70,627	2,61,46,890
XLV.—Stationery and Printing ..	64,97,738	56.—Stationery and Printing	82,005	2,18,60,231	2,19,42,236
XLVI.—Miscellaneous ..	86,76,137	57.—Miscellaneous ..	6,90,270	37,37,699	44,27,969
Total J.—Miscellaneous ..	2,28,89,849	Total J.—Miscellaneous ..	1,49,48,538	3,76,66,148	5,26,14,686
K.—Defence Receipts—		K.—Defence Services—			
XLVII.—Defence Receipts—Effective ..	9,23,93,636	58.—Defence Services—Effective	3,59,20,31,402	..	3,59,20,31,402
XLVIII.—Defence Receipts—Non-effective ..	36,46,925	59.—Defence Services—Non-effective ..	8,80,50,171	..	8,80,50,171
Total K.—Defence Receipts ..	9,60,40,561	Total K.—Defence Services	3,68,00,81,573	..	3,68,00,81,573
M.—Extraordinary Items—		L.—Contributions and Miscellaneous Adjustments between Central and Provincial Governments—			
LI.—Extraordinary Receipts ..	—2,45,767	61.—Grants-in-aid to Provincial Governments ..	2,75,00,000	3,00,00,000	5,75,00,000
LII.—Receipts connected with the War, 1939 ..	14,96,66,579	62.—Miscellaneous adjustments between Central and Provincial Governments ..	..	92,775	92,775
LII-B.—Civil Defence ..	48,91,552	Total L.—Contributions, etc	2,75,00,000	3,00,92,775	5,75,92,775
Total M.—Extraordinary Items ..	15,43,12,364	M.—Extraordinary Items—			
Total—Revenue Receipts ..	3,02,86,57,461	63.—Extraordinary Charges ..	30,256	401	30,657
		64.—Expenditure connected with the War, 1939 ..	25,46,27,017	..	25,46,27,017
		64-B.—Civil Defence ..	6,78,585	5,12,33,481	5,19,12,066
		Total M.—Extraordinary Items ..	25,53,35,858	5,12,33,882	30,65,69,740
		Total—Revenue Expenditure ..	4,49,87,04,616	42,92,15,741	4,92,79,20,356

No. 2.—SUMMARY OF REVENUE AND EXPENDITURE BY MAJOR HEADS—*concl'd.*

Heads of Revenue. (1)	Actuals for 1943-44. (2) Rs.	Heads of Expenditure. (3)	Actuals for 1943-44.		
			Non-voted. (4) Rs.	Voted. (5) Rs.	Total (6) Rs.
		Capital Expenditure within the Revenue Account—			
		AA.—5-A.—Capital Out- lay on Salt Works ..	..	43,785	43,785
		CC.—19.—Construction of Irrigation, Navigation, Embankment and Drainage Works ..	24,651	..	24,651
		DD.—21.—Capital Outlay on Posts and Tele- graphs ..	..	—1,41,759	—1,41,759
		JJ.—55-A.—Commutation of Pensions financed from Ordinary Revenues ..	19,398	—2,18,425	—1,99,027
		Total—Capital Expendi- ture within the Revenue Account ..	44,049	—3,16,459	—2,72,410
		Total—Expenditure within the Revenue Account ..	4,49,87,48,654	42,88,99,282	4,92,76,47,946
		Capital Outlay outside the Re- venue Account—			
		BB.—Railway Capital Accounts—			
		67-A.—Construction of State Railways—Com- mercial ..	72,139	9,38,12,970	9,38,85,109
		67-B.—Construction of State Railways—Strategic ..	..	—1,03,32,187	—1,03,32,187
		67-C.—Capital contributed by Railway Companies towards outlay on State Railways—			
		Discharge of Debentures ..	35,11,298	..	35,11,298
		DD.—Posts and Telegraphs Capital Account—			
		69.—Capital Outlay on Posts and Telegraphs ..	..	3,89,84,273	3,89,84,273
		HH.—Civil Works and Mis- cellaneous Public Im- provements—			
		78.—Initial Expenditure on New Capital at Delhi ..	..	—27,262	—27,262
		JJ.—Miscellaneous Capital Account—			
		83.—Payments of Com- muted value of Pensions ..	—18,41,481	—21,67,133	—40,08,614
		KK.—Defence Services—			
		86.—Defence Capital Out- lay ..	37,45,80,431	..	37,45,80,431
		M.—Extraordinary Items—			
		87.—Capital Outlay on Schemes connected with the War, 1939 ..	14,84,76,702	..	14,84,76,702
		Total—Capital Outlay out- side the Revenue Ac- count ..	52,47,99,089	12,02,70,661	64,50,69,750
Total—Revenue ..	3,02,86,57,461	Total—Expenditure ..	5,02,35,47,753	54,91,69,943	5,57,27,17,696

No. 3.—STATEMENT SHOWING THE DISTRIBUTION BETWEEN NON-VOTED AND VOTED EXPENDITURE.

Hheads of Expenditure. (1)	Actuals for 1943-44.		
	Non-voted. (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
Expenditure within the Revenue Account	(a) 1,50,70,96,307	(a) 1,67,04,92,405	(a) 6,17,75,88,712
Expenditure outside the Revenue Account	.. 52,47,99,089	12,02,70,661	64,50,69,750
Disbursements under Debt, Deposits and Remittance Heads treated as Expenditure	.. (b) 4,87,198	(b) 28,64,76,931	(b) 28,69,64,129
Total	.. 5,03,23,82,594	2,07,72,39,997	7,10,96,22,591

(a) The figures have been arrived at as follows :—
Detail of Accounts.

Total expenditure within the Revenue Account as in Account No. 2	.. ..	.. 4,49,87,48,664	42,88,99,282	4,92,76,47,946
Add—Working Expenses of—				
Railways .. ..	.. ..	64,61,006	1,09,08,49,704	1,09,73,10,710
Irrigation .. ..	.. ..	3,70,857	1,82,788	5,53,646
Posts and Telegraphs	.. ..	15,15,780	15,05,60,630	15,20,76,410
Total	..	4,50,70,96,307	1,67,04,92,405	6,17,75,88,712

(b) The figures have been arrived at as follows :—

P.—Deposits and Advances—

Part I.—Deposits bearing Interest—

(A) Reserve Funds—

Depreciation Reserve Funds—Railways:	..	6,61,62,295	6,61,62,295
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Part III.—Advances not bearing Interest—

Advances Repayable	..	6,45,30,378	6,45,30,378
Coinage Accounts	..	73,85,755	73,85,755

Q.—Loans and Advances by the Central Government—

Advances to Provincial Governments	..	13,62,48,137	13,62,48,137
Advances to Crown Representative	.. 4,87,198	..	4,87,198
Loans to Indian States	..	9,15,000	9,15,000
Loans to Local Funds, etc.	..	98,02,233	98,02,233
Loans to Government Servants	..	11,33,133	11,33,133

Total	..	4,87,198	28,64,76,931	28,69,64,129
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No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS.

Heads.	Actuals for 1943-44. Rs.
A.—Principal Heads of Revenue—	
I.—Customs—	
Sea Customs—	
Imports	45,51,64,214
Exports	2,44,18,263
Miscellaneous	32,18,810
Land Customs	72,77,477
Receipts in England	2,123
Loss or gain by exchange	4
Deduct—	
Share of customs revenue payable to the Travancore and Cochin Governments	—52,47,212
Share of net proceeds of export duties assigned to Provinces	—1,38,30,957
Refunds and drawbacks	—20,53,31,862
Total	26,56,70,860
II.—Central Excise Duties—	
Excise duty on motor spirit	2,93,03,225
Excise duty on kerosene	54,29,667
Excise duty on sugar	6,68,71,391
Temporary excise duty ordinance, 1943	55,78,571
Excise duty on matches	4,73,10,363
Excise duty on steel ingots	59,02,870
Excise duty on mechanical lighters	3,039
Excise duty on tyres	82,96,662
Excise duty on coal and coke	23,04,342
Excise duty on tobacco	9,65,25,342
Excise duty on vegetable products	93,79,257
Miscellaneous	3,342
Deduct—Refunds and drawbacks	—2,75,46,914
Total	24,93,61,157
III.—Corporation Tax—	
Ordinary collections	12,42,84,776
Deduct—Refunds	—1,18,37,791
Surcharge (net)	16,91,300
Excess profits tax (net)	39,86,36,915
Total	51,27,75,290
IV.—Taxes on Income other than Corporation Tax—	
Income tax	38,18,86,170
Super tax	6,33,43,860
Surcharge (net)	23,92,72,027
Excess profits tax (net)	13,70,91,313
Miscellaneous	3,68,405
Receipts in England	2,10,998
Loss or gain by exchange	376
Collection from Burma employees	26,18,460
Deduct—	
Share of net proceeds assigned to Provinces	—19,50,00,000
Refunds	—4,61,11,972
Total	58,36,79,637

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.							Actuals for 1943-44. Rs.
A.—Principal Heads of Revenue—contd.							
V.—Salt—							
Sales of Government salt	..	..	..	..	..	..	50,43,219
Excise duty on salt manufactured locally	..	..	..	..	..	..	6,38,42,764
Duty on imported salt	..	..	..	..	..	..	1,25,89,379
Rents of warehouses	..	..	..	..	..	..	76,916
Fees and cesses	..	..	..	..	..	..	2,84 0 7
Despatch receipts	..	..	..	..	..	..	2,11,503
Miscellaneous	..	..	..	..	..	..	10,62,574
<i>Deduct—Refunds</i>	..	..	..	..	..	..	—47,32,495
Total							8,33,77,397
VI.—Opium—							
Sale of medical opium	..	..	..	..	..	..	1,91,566
Cost price of opium sold to Provincial Governments	..	..	..	..	..	..	37,15,390
Sale proceeds of Neemuch Ball opium	..	..	..	..	..	..	3,61,916
Sale proceeds of opium and its alkaloids in other countries	..	..	..	..	..	..	24,324
Miscellaneous	..	..	..	..	..	..	2,89,523
Receipts in England	..	..	..	..	..	..	34,35,339
Loss or gain by exchange	..	..	..	..	..	..	5,974
<i>Deduct—Refunds</i>	..	..	..	..	..	..	—1,130
Total							80,22,835
VII.—Land Revenue—							
Ordinary revenue	..	..	..	..	..	..	33,99,982
Rates and cesses on lands	..	..	..	..	..	..	593
Recoveries of overpayments	..	..	..	..	..	..	281
Collection of payments for services rendered	..	..	..	..	..	..	2,560
Miscellaneous	..	..	..	..	..	..	3,63,071
<i>Deduct—</i>							
Portion of Land Revenue due to Irrigation	..	..	..	..	..	..	—4,31,393
Refunds	..	..	..	..	..	..	—13,304
Total							33,21,790
VIII.—Provincial Excise—							
Country spirits	..	..	..	..	..	..	24,43,771
Malt liquors	..	..	..	..	..	..	42,169
Wines and spirits (foreign liquors other than medicated wines and commercial spirits)	..	..	..	..	..	..	10,48,871
Receipts from commercial spirits including denatured spirits and medicated wines	..	..	..	..	..	..	1,16,554
Opium	..	..	..	..	..	..	9,83,091
Hemp and other drugs	..	..	..	..	..	..	1,78,627
Fines, confiscations and miscellaneous	..	..	..	..	..	..	5,407
Collection of payments for services rendered	..	..	..	..	..	..	2,135
<i>Deduct—Refunds</i>	..	..	..	..	..	..	—12,847
Total							48,07,778

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.	Actuals for 1913-44. Rs.-
A.—Principal Heads of Revenue—contd.	
IX.—Stamps—	
A.—NON-JUDICIAL—	
Sale of stamps	12,07,239
Duty on impressing documents	81,258
Fines and penalties	717
Miscellaneous	2
<i>Deduct—Refunds</i>	—36,818
Total A.—Non-Judicial ..	12,52,398
B.—JUDICIAL—	
(i) Court fees—	
Court fees realised in stamps	7,49,294
<i>Deduct—Refunds</i>	—9,071
(ii) Other receipts—	
Sale of stamps	1,11,871
Fines and penalties	905
Miscellaneous	122
<i>Deduct—Refunds</i>	—788
Total B.—Judicial ..	8,52,334
C.—GENERAL—	
Security Printing, India—	
Recoveries from different Governments for value of stamps supplied	40,95,352
Other receipts	2,51,352
Total C.—General ..	49,49,704
Total ..	70,54,436
X.—Forest—	
Timber and other produce removed from the forests by Government agency	3,11,365
Timber and other produce removed from the forests by consumers and purchasers	52,558
Drift and waif-wood and confiscated forest produce	235
Revenue from forests not managed by Government	12,238
Miscellaneous	2,87,669
<i>Deduct—Refunds</i>	—6
Total ..	6,64,059
XI.—Registration—	
Fees for registering documents	1,56,191
Fees for copies of registered documents	28,559
Miscellaneous	11,525
<i>Deduct—Refunds</i>	—877
Total ..	1,95,398
XII.—Receipts under Motor Vehicles Acts—	
Receipts under the Indian Motor Vehicles Act	1,72,111
Receipts under the Provincial Motor Vehicles Taxation Act	4,26,729
<i>Deduct—Refunds</i>	—586
Total ..	5,93,254

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.

Actuals
for
1943-44.
Rs.A.—Principal Heads of Revenue—*contd.*

XIII.—Other Taxes and Duties—

A.—Taxes on Luxuries including taxes on entertainments, amusements, betting and gambling—

Entertainment tax	6,01,961
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C.—Receipts from tobacco duties—

Receipts under the Punjab Tobacco Vend Fees Act, 1934	9,316
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Deduct—Refunds	—43
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D.—Other Items—

Receipts under drug control order	4,625
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Total	6,15,859
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B.—Railway Revenue Account—

XV-A.—State Railways—

Commercial Lines—

Gross Receipts—

Coaching earnings	82,33,24,355
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Goods earnings	96,86,62,493
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Sundry other earnings	3,92,41,071
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Suspense	—4,05,838
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Total—Gross Receipts	1,83,08,22,084
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Deduct—

Working Expenses—

A.—Maintenance of structural works	—11,21,26,588
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B.—Maintenance and supply of locomotive power	—27,13,48,054
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C.—Maintenance of carriage and wagon stock	—7,34,70,455
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D.—Maintenance and working of ferry steamers and harbours	—40,30,145
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E.—Expenses of Traffic Department	—14,01,46,385
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F.—Expenses of General Departments	—5,34,78,104
------------------------------------	----	----	----	----	----	----	--------------

G.—Miscellaneous expenses	—18,39,16,777
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H.—Expenses of Electrical Department	—4,06,52,012
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Suspense	51,96,962
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Appropriation to Depreciation Reserve Fund	—16,31,17,489
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Total—Working Expenses	—1,03,70,89,047
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Share of surplus profits paid to Indian States and Railway Companies	—87,41,796
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Payments to Worked Lines—

(i) Net earnings	—1,86,45,669
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(ii) Rebate, subsidy, etc.	—2,31,533
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Total—Deduct	—1,06,47,08,045
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Net Receipts	76,61,14,039
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XV-B.—State Railways—

Strategic Lines—

Gross Receipts—

Coaching earnings	82,87,241
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Goods earnings	1,45,14,701
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Sundry other earnings	6,36,988
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Total—Gross Receipts	2,34,38,930
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No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*concl'd.*

Heads.	Actuals for 1943-44. Rs.
B.—Railway Revenue Account—<i>concl'd.</i>	
XV-B.—State Railways—<i>concl'd.</i>	
Deduct—	
Working Expenses—	
A.—Maintenance of structural works	—1,10,61,237
B.—Maintenance and supply of locomotive power	—86,11,215
C.—Maintenance of carriage and wagon stock	—11,27,102
E.—Expenses of Traffic Department	—25,07,938
F.—Expenses of General Department	—12,33,929
G.—Miscellaneous expenses	—17,99,852
H.—Expenses of Electrical Department	—6,46,934
Appropriation to Depreciation Reserve Fund	—56,14,458
Total—Working Expenses	—3,26,02,665
Net Receipts	—91,63,735
XVI.—Subsidised Companies—	
Government share of surplus profits	3,98,472
Sale of land	76,906
Guarantee and loss recovered from Provincial Governments, etc. for unremun- erative Lines	10,685
Total	4,86,063
XVI-A.—Railway Miscellaneous Receipts—	
(a) Commercial Lines—	
Interest on Depreciation Reserve Fund balances	3,27,27,656
Interest on Railway Reserve Fund balances	58,96,864
Interest on Renewal Reserve Fund balances	4,46,368
Interest and dividends on securities purchased from the Reserve Funds	2,14,346
Contribution for Government supervision and control recoverable from Companies	6,56,394
Miscellaneous Receipts	12,87,585
(b) Strategic Lines—	
Interest on Depreciation Reserve Fund balances	14,50,725
Total	4,26,79,938
C.—Irrigation, Navigation, Embankment and Drainage Works—	
XVII.—Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept—	
A.—IRRIGATION WORKS—	
(1) Productive Works—	
Gross Receipts—	
Direct Receipts—	
Water Rates	59,069
Sales of water	33
Recoveries of Expenditure	9,651
Irrigation land revenue collected in the Civil Department	3,62,827
Total	4,31,580
Deduct—	
Working Expenses—	
Maintenance and Repairs	—1,74,168
Establishment	—1,30,626
Tools and plant	—6,220
Total—Working Expenses	—3,11,014
Net Receipts	1,20,566

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*concl'd.*

Heads.	Actuals for 1943-44. Rs.
2.—Irrigation, Navigation, Embankment and Drainage Works— <i>concl'd.</i>	
XVII.—Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept— <i>concl'd.</i>	
A.—IRRIGATION WORKS— <i>concl'd.</i>	
(2) Unproductive Works—	
Gross Receipts—	
Direct Receipts—	
Water rates	2,11,575
Sales of water	9,091
Plantation	60
Other canal produce	87
Water power	3,256
Rents	424
Fines	1,346
Recoveries of expenditure	14
Miscellaneous	4,342
Irrigation land revenue collected in the Civil Department ..	68,516
Total ..	2,98,863
Deduct—	
Working Expenses—	
Extensions and improvements	—35,530
Maintenance and repairs	—1,76,583
Establishment	—23,486
Tools and plant	—2,033
Total—Working Expenses ..	—2,42,632
Net Receipts ..	56,236
Total—Net Receipts ..	1,76,802
XVIII.—Irrigation, Navigation, Embankment and Drainage Works for which no Capital Accounts are kept—	
A.—IRRIGATION WORKS—	
Direct Receipts—	
Water rates	1,095
Sales of water	8
Plantations	31
Rents	177
Recoveries of expenditure	2,487
Miscellaneous	72,164
Receipts in England	1,455
Loss or gain by exchange	2
Total ..	77,329
D.—Posts and Telegraphs—	
XIX.—Posts and Telegraphs—	
Abstract A.—Postage and Message Revenue	17,12,32,434
Abstract B.—Miscellaneous Revenue	6,50,64,729
Abstract BB.—Revenue Receipts of Telephone Districts	1,74,75,593
Total—Gross Receipts ..	25,17,32,756

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*concl.*

Heads.	Actuals for 1943-44. Rs.
D.—Posts and Telegraphs—<i>concl.</i>	
XIX.—Posts and Telegraphs—<i>concl.</i>	
<i>Deduct—</i>	
Working Expenses—	
Abstract C.—General Administration	—1,22,92,848
Abstract D.—Accounts and Audit	—32,59,034
Abstract E.—Control Circle Offices	—41,67,726
Abstract F.—Engineering Expenses	—67,18,513
Abstract G.—Pensionary Charges	—1,25,83,844
Abstract H.—Stamps, Post cards, Printing and Stationery	—76,54,207
Abstract I.—Maintenance of assets	—63,23,861
Abstract J.—Postal Expenses (including cost of combined offices)	—9,49,17,977
Abstract K.—Telegraph Traffic (excluding cost of combined offices)	—1,20,63,734
Abstract L.—Telegraph (Radio) Expenses	—8,02,850
Abstract M.—Telephone Expenses	—40,52,607
Abstract MM.—Expenses of Telephone Districts	—55,83,036
Abstract N.—Contributions to the Renewal Reserve Fund	—25,00,000
Abstract O.— <i>Deduct—Credits to Working Expenses</i>	+2,00,43,917
Total —Working Expenses	—15,20,76,410
Net Receipts	9,36,56,346
E.—Debt Services—	
XX.—Interest—	
Interest on loans and advances by the Central Government	47,03,026
Interest realised on investments of Cash balances	3,257
Interest on arrears of revenue	801
Percentage from subscribers to Service Funds on foreign service	179
Premium on loans	298
Miscellaneous	53,960
Receipts in England	1,14,35,678
Loss or gain by exchange	19,888
<i>Deduct—Refunds</i>	—1,874
Total	1,62,15,213
F.—Civil Administration—	
XXI.—Administration of Justice—	
Sale proceeds of unclaimed and escheated property	20,857
Court fees realized in cash	24,614
General fees, fines and forfeitures	3,11,423
Receipts of the Federal Court	13,251
Miscellaneous fees and fines—	
Record room receipts	611
Other receipts	5,310
Recoveries of overpayments	1,479
Collection of payments for services rendered	6,014
Miscellaneous	1,190
<i>Deduct—Refunds</i>	—32,631
Total	3,52,118
XXII.—Jails and Convict Settlements—	
Jails	31,693
Jail manufactures	67,140
Collection of payments for services rendered	310
<i>Deduct—Refunds</i>	—863
Total	98,280

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.

Actuals
for
1943-44.
Rs.F.—Civil Administration—*contd.*

XXIII.—Police—

Police supplied to Railways	11,065
Police supplied to public departments, private companies and persons ..	23,369
Cash receipts under the Arms Act	3,301
Fees, fines and forfeitures	2,543
Recoveries of overpayments	25,240
Collection of payments for services rendered	4,678
Miscellaneous	20,753
Receipts in England	186
Deduct—Refunds	—253
Total ..	90,882

XXIV.—Ports and Pilotage—

A.—MAJOR PORTS—

(1) Pilot Service—

Pilotage receipts	10,15,786
Miscellaneous	24,511
Receipts in England	120

(2) Other Receipts—

Survey fees	1,31,075
Fees for engagement and discharge of scamen	1,85,782
Fees for registration of vessels	548
Examination fees and miscellaneous	1,90,932
Deduct—Refunds	—2,059

Total .. **15,46,695**

XXV.—Lighthouses and Lightships—

Light dues	6,04,018
Miscellaneous	2,38,497
Deduct—Refunds	—11,190

Total .. **8,31,325**

XXVI.—Education—

A.—UNIVERSITY—

Fees, Government Arts Colleges	30,964
--	--------

B.—SECONDARY—

Fees, Government Secondary Schools	67,862
--	--------

C.—PRIMARY—

Fees, Government Primary Schools	389
--	-----

D.—SPECIAL—

Fees and other receipts, Government Special Schools	37,022
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E.—GENERAL—

Contributions	1,21,917
Recoveries of overpayments	16
Collection of payments for services rendered	3,307
Miscellaneous	42,050
Deduct—Refunds	—143

Total .. **3,03,384**

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.								Actuals for 1943-44. Rs.
F.—Civil Administration—<i>contd.</i>								
XXVII.—Medical—								
Hospital receipts	..	..	..	..	..	..	..	59,001
Sale of medicines	..	..	..	..	..	..	..	11,960
Contributions	..	..	..	..	..	..	..	35,160
Recoveries of overpayments	..	..	..	..	..	..	..	272
Collection of payments for services rendered	..	..	..	..	..	..	..	1,69,377
Miscellaneous	..	..	..	..	..	..	..	17,143
Receipts in England	..	..	..	..	..	..	..	13
Deduct—Refunds	..	..	..	..	..	..	..	—11,763
Total							..	2,81,163
XXVIII.—Public Health—								
Sale-proceeds of sera and vaccines, etc.	..	..	..	..	..	..	..	11,39,452
Contributions	..	..	..	..	..	..	..	48,579
Recoveries of overpayments	..	..	..	..	..	..	..	512
Collection of payments for services rendered	..	..	..	..	..	..	..	23,666
Miscellaneous	..	..	..	..	..	..	..	88,758
Receipts in England	..	..	..	..	..	..	..	1,084
Loss or gain by exchange	..	..	..	..	..	..	..	2
Deduct—Refunds	..	..	..	..	..	..	..	—73
Total							..	13,01,980
XXIX.—Agriculture—								
Agricultural receipts	..	..	..	..	..	..	..	3,30,095
Collection of payments for services rendered	..	..	..	..	..	..	..	1,138
Receipts in England	..	..	..	..	..	..	..	68
Deduct—Refunds	..	..	..	..	..	..	..	—226
Total							..	3,31,075
XXX.—Veterinary—								
Collection of fees for services rendered	..	..	..	..	..	..	..	4,239
Other receipts	..	..	..	..	..	..	..	5,74,435
Receipts in England	..	..	..	..	..	..	..	3
Deduct—Refunds	..	..	..	..	..	..	..	—21
Total							..	5,78,656
XXXI.—Co-operation—								
Miscellaneous receipts	..	..	..	..	..	..	..	1,162
XXXII.—Industries—								
Industries	..	..	..	..	..	..	..	1,192
Government Test House—Testing Fees	..	..	..	..	..	..	..	77,813
Indian School of Mines	..	..	..	..	..	..	..	27,710
Collection of payments for services rendered	..	..	..	..	..	..	..	1,70,757
Receipts in England	..	..	..	..	..	..	..	3
Deduct—Refunds	..	..	..	..	..	..	..	—364
Total							..	2,77,111

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.	Actuals for 1943-44. Rs.
F.—Civil Administration—<i>concl'd.</i>	
XXXIII.—Aviation—	
Aviation receipts	9,26,158
Receipts in England	1,476
Loss or gain by exchange	3
Deduct—Refunds	—489
Total ..	9,27,148
XXXIV.—Broadcasting—	
Licence fees	16,22,569
Other receipts	6,47,075
Receipts in England	94
Deduct—Refunds	—5,993
Total ..	22,63,740
XXXVI.—Miscellaneous Departments—	
Labour and Emigration—	
Emigration fees	1,18,517
Fees for registration of Trade Unions	44
Statistics—	
Census	15
Miscellaneous—	
Registration of Accountants	66,327
Examination fees	1,20,907
Patent fees	2,78,491
Sale of stores and materials	105
Fees for the inspection of steam boilers	12,904
Fees for the deposit and registration of Trade Marks	1,88,051
Registration of Joint Stock Companies	4,89,519
Administration of Indian Partnership Act, 1932	3
Miscellaneous	31,12,384
Fees realised under the Insurance Act, 1938	2,38,171
Imperial Dairy Department	1,16,628
Receipts in England	788
Loss or gain by exchange	1
Deduct—Refunds	—29,238
Total ..	47,13,617
G.—Currency and Mint—	
XXXVII.—Currency—	
Share of surplus profits of the Reserve Bank	7,49,80,740
Currency Note Press	68,16,959
Value of old Currency Notes assumed to be no longer in circulation	1,23,493
Value of unclaimed Currency Notes	3,229
Miscellaneous	7,862
Deduct—Refunds	—3,546
Total ..	8,19,28,737
XXXVIII.—Mint—	
Profit from circulation of nickel, bronze and copper coins	1,39,62,685
Fees for coining dollars, etc.	23,87,324
Assay fees	76,207
Miscellaneous	13,12,559
Receipts in England	87
Deduct—Refunds	—327
Total ..	1,77,38,535

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*contd.*

Heads.	Actuals for 1943-44. Rs.
H.—Civil Works and Miscellaneous Public Improvements—	
XXXIX.—Civil Works—	
Rents	36,67,468
Ferry receipts	28,384
Recoveries of expenditure	4,08 040
Miscellaneous	17,20,162
Receipts in England	12
<i>Deduct</i> —Refunds	—3,62,482
Total ..	
	54,62,034
J.—Miscellaneous—	
XLII.—Receipts from Indian States—	
Receipts from Indian States	61,41,405
XLIV.—Receipts in aid of Superannuation—	
Subscriptions under the Indian Civil Service (Non-European Members) Family Pension Rules	
	1,53,546
Subscriptions under the Superior Services (India) Family Pension (untransferred) Rules	
	38,844
Contributions for pensions and gratuities	13,01,158
Deductions for Marine Pension Fund	12,841
Miscellaneous	12,749
Receipts in England—	
Dividends to Widows' Funds of the Home Establishment of the East	
India Company	26,251
Subscriptions in aid of the India Office Provident Fund	1,981
Bengal Civil Fund	387
Wage deductions on account of contributions to pensions	452
Miscellaneous	27,769
Loss or gain by exchange	102
<i>Deduct</i> —Refunds	—1,511
Total ..	
	15,74,569
XLV.—Stationery and Printing—	
Stationery receipts	58,93,268
Sale of plain paper used with stamps	14,249
Sale of gazettes and other Government publications	4,10,454
Other press receipts	2,40,033
Receipts in England	14,962
Loss or gain by exchange	33
<i>Deduct</i> —Refunds	—75,281
Total ..	
	64,97,738
XLVI.—Miscellaneous—	
Net gain by exchange on remittance transactions	17,62,413
Unclaimed deposits	3,25,551
Sales of land and houses, etc.	9,972
Fees for Government audit	2,92,322
Receipts arising out of the Military Land Scheme, Bombay	16,02,859
Recoveries of overpayments	15,46,799
Collection of payments for services rendered	5,50,315
Other receipts—	
Sales of old stores and materials	62,671
Rents, rates and taxes	89,188
Naturalisation, passport and copyright fees	1,32,238
Other fees, fines and forfeitures	2,04,698
Interest on cemetery endowments	14,007

No. 4.—DETAILED ACCOUNT OF REVENUE BY MINOR HEADS—*concl'd.*

Heads.

Actuals
for
1943-44.
Rs.**J.—Miscellaneous—concl'd.****XLVI.—Miscellaneous—concl'd.**

Other receipts—concl'd.

Gain by exchange on local transactions	..	..	..	..	..	5,025
Ecclesiastical receipts	..	..	..	..	..	18,213
Contributions	..	..	..	..	..	29,028
Miscellaneous	..	..	..	..	..	23,05,388
Receipts in England	..	..	..	..	..	3,55,474
Loss or gain by exchange	..	..	..	..	..	618
Deduct—Refunds	..	..	..	..	..	-6,10,612
Total						86,76,137

K.—Defence Services—**XLVII.—Defence Receipts—Effective—****III.—War measures chargeable to Indian Revenues—**

A.—Receipts in India	..	..	..	..	..	9,23,45,258
B.—Receipts in England	..	..	..	..	..	48,378
Total						9,23,93,636

XLVIII.—Defence Receipts—Non-effective—

A.—Receipts in India—

I.—Army	..	..	..	..	..	-1,96,777
III.—Royal Indian Navy	..	..	..	..	..	-600

B.—Receipts in England—

I.—Army	..	..	..	..	..	38,42,173
III.—Royal Indian Navy	..	..	..	..	..	2,129

Total .. 36,46,925

M.—Extraordinary Items—**LI.—Extraordinary Receipts—**

Other Items	..	..	..	..	..	4,233
Deduct—Refunds	..	..	..	..	..	-2,50,000
Total						-2,45,767

LII.—Receipts connected with the War, 1939—

Department of Supply—

Fees on account of inspection of stores purchased through the Department	..	..	..	..	..	13,04,982
Fees on account of inspection of stores not purchased through the Department	..	..	..	..	..	6,93,974
Fees on account of purchase of stores	..	..	..	..	..	19,53,580
Miscellaneous	..	..	..	..	..	8,83,231

Fees levied by the Custodian of Enemy Property	..	..	..	..	..	1,90,814
Recoveries of Lease/Lend Stores	..	..	..	..	..	9,68,345
Insurance premia under the War Risks (Factories) Insurance Scheme	..	..	..	..	..	6,75,91,545
Recoveries from evacuees from war zones	..	..	..	..	..	1,349
Miscellaneous	..	..	..	..	..	29,77,01
Receipts of the Textile Commissioners	..	..	..	..	..	5,14,510
Insurance premia under the War Risks (Goods) Insurance Scheme	..	..	..	..	..	7,27,78,906
Receipts in England	..	..	..	..	..	17,992
Loss or gain by exchange	..	..	..	..	..	221
Deduct—Refunds	..	..	..	..	..	-3,00,564

Total .. 14,96,66,579

LII.—B.—Civil Defence—

Insurance premia and other receipts under the War Injuries Compensation Insurance Scheme	..	..	..	..	..	5,30,806
Miscellaneous	..	..	..	..	..	43,05,891
Receipts in England	..	..	..	..	..	51,700
Loss or gain by exchange	..	..	..	..	..	95

Total .. 48,91,552

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS.

Heads. (1)	Actuals for 1943-44.		
	Non-voted. (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
A.—Direct Demands on the Revenue—			
1.—Customs—			
Sea Customs, charges at the Ports ..	2,24,387	66,40,116	68,64,503
Land Customs, charges ..	1,18,940	9,92,669	11,11,609
Assignments and Compensations ..	9,95,846	12,150	10,07,996
Charges in England ..	10,177	4,045	14,222
Loss or gain by exchange ..	18	7	25
Total ..	13,49,368	76,48,987	89,98,355
2.—Central Excise Duties—			
Charges on collection of Excise Duty on Sugar ..		4,115	4,115
Charges on collection of Excise Duty on Tobacco ..		50,000	50,000
Payments to Indian States of share of Match Excise Duty ..	61,16,412		61,16,412
Amount paid to the Salt Department for share of the cost of combined Central Excise and Salt Department ..	31,260	41,06,273	41,37,533
Payment of the net proceeds of the Excise Duty on Coal and Coke to the Coal Mines Stowing Board ..	23,90,299		23,90,299
Compensation paid to the Provincial Governments for the suspension of Provincial measures of taxation on wholesale trades in Tobacco ..		1,61,500	1,61,500
Charges in England ..		73	73
Total ..	85,37,971	43,21,961	1,28,59,932
3.—Corporation Tax—			
Collection of Corporation Tax ..	79,524	38,08,385	38,87,909
4.—Taxes on Income other than Corporation Tax—			
Collection of Income Tax ..	1,52,584	96,07,821	97,60,405
Deduct—Proportionate charges transferred to "3.—Corporation Tax" ..	—79,524	—38,08,385	—38,87,909
Charges in England ..	4,266	27,203	31,469
Loss or gain by exchange ..	8	47	55
Total ..	77,334	58,26,686	59,04,020
5.—Salt—			
A.—CHARGES OF THE NORTHERN INDIA SALT AND CENTRAL EXCISES DEPARTMENT—			
Direction ..	43,947	1,43,745	1,87,692
Manufacture and sale ..		30,53,277	30,53,277
Engineering section ..		2,11,854	2,11,854
Medical establishment ..		34,561	34,561
Contribution to the Renewals Reserve Fund ..		1,30,000	1,30,000
Renewals and Replacements ..		25,478	25,478
Deduct—Amount met from the Renewals Reserve Fund ..		—25,478	—25,478
Cost of Accounts and Audit ..		37,158	37,158
Pensionary charges and contributions to Provident Funds ..	2,030	52,551	54,581
Preventive establishments ..		25,64,273	25,64,273
Interest on capital ..	3,78,149		3,78,149
Royalties and Compensations ..	35,20,517		35,20,517
Charges in England ..	11,600	13,415	25,015
Loss or gain by exchange ..	20	23	43
Deduct—Share debitable to "2.—Central Excise Duties" ..		—22,21,222	—22,21,222
Deduct—Contributions from private parties ..		—1,584	—1,584

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted.	Voted.	Total.
	(2) Rs.	(3) Rs.	(4) Rs.
A.—Direct Demands on the Revenue—<i>could.</i>			
5.—Salt—<i>concl.</i>			
B.—CHARGES OF SALT AND CENTRAL EXCISES IN PROVINCES—			
Direction	74,575	54,50 036	55,21,611
Preventive establishments .. .. .	..	8,16,137	8,16,137
Medical establishment .. .. .	..	16,068	16,068
Salt purchase and freight .. .. .	..	8,82,704	8,82,704
Cost of printing banderols .. .. .	..	4,60,781	4,60,781
Cost of printing Central Excise Stamps and labels .. .. .	..	80,202	80,202
Works .. .. .	..	72,838	72,838
Royalties and Compensations	5,61,474	54,350	6,15,824
<i>Deduct—</i>			
Share debitable to "2.—Central Excise Duties"	—31,260	—18,85,051	—19,16,311
Charges recovered from the Customs Department	—8,000	—16,31,900	—16,39,900
Contributions from private parties .. .. .	..	—1,351	—1,351
Total	45,53,052	83,32,865	1,28,85,917
6.—Opium—			
Superintendence and other establishments in the United Provinces	24,396	3,15,888	3,40,284
Ghazipur opium factory .. .. .	..	7,51,497	7,51,497
Payments for special cultivation in Malwa .. .. .	..	40,07,658	40,07,658
Payments to cultivators in the United Provinces .. .. .	..	27,38,972	27,38,972
Compensations	45,739	..	45,739
Miscellaneous opium charges in Calcutta .. .. .	..	59,271	59,271
Neemuch opium factory .. .. .	..	2,20,173	2,20,173
Miscellaneous .. .. .	..	1,107	1,107
Charges in England	4,800	4,411	9,211
Loss or gain by exchange	10	6	16
Total	74,945	80,98,983	81,73,928
7.—Land Revenue—			
Charges of administration	1,66,779	34,839	2,01,618
Charges on account of land revenue collections	1,06,436	8,555	1,14,991
Survey, Settlement and Record operations	2,45,506	1,76,071	4,21,580
Land Records	1,03,129	1,05,333	2,08,462
Assignments and Compensations	89,243	5,231	94,474
Charges in England	8,035	..	8,035
Loss or gain by exchange	14	..	14
Total	7,19,142	3,30,082	10,49,224
8.—Provincial Excise—			
District Executive Establishment	30,732	1,10,135	1,40,867
Distilleries	7,024	..	7,024
Cost of opium supplied to Provincial Excise Departments	12,566	2,46,118	2,58,684
Compensations	48,019	33,205	81,224
Total	98,341	3,89,458	4,87,799

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
A.—Direct Demands on the Revenue—<i>concl'd.</i>			
9.—Stamps—			
A.—NON-JUDICIAL—			
Superintendence .. .. .	..	1,730	1,730
Central Stamp Office at Calcutta .. ..	..	161	161
Charges for the sale of stamps	3,486	17,735	21,221
Cost of stamps supplied from Central Stamp Stores	1,058	4,451	5,509
B.—JUDICIAL—			
Charges for the sale of stamps	716	3,165	3,881
Cost of stamps supplied from Central Stamp Stores	156	241	397
C.—GENERAL—			
Security Printing India—			
Capital Account—			
Buildings .. .. .	..	25,893	25,893
Plant and machinery .. .. .	..	14,973	14,973
Minor equipment .. .. .	..	3,586	3,586
Miscellaneous .. .. .	..	1,859	1,859
Deduct—Depreciation .. .. .	..	—63,618	—63,618
Revenue Account—			
Working expenses	53,460	47,00,080	47,53,540
Interest on capital	2,66,578	..	2,66,578
Total	3,25,454	47,10,256	50,35,710
10.—Forest—			
General Direction	40,989	10,000	50,989
Forest Research Institute	1,69,895	7,70,926	9,40,821
Conservancy and Works	2,94,063	62,790	3,56,853
Establishment	37,723	48,408	86,131
Charges in England	54,309	20,498	74,807
Loss or gain by exchange	95	36	131
Total	5,97,074	9,12,658	15,09,732
11.—Registration—			
District charges	5,623	9,947	15,570
12.—Charges on account of Motor Vehicles Acts—			
Charges of collection .. .. .	..	35,098	35,098
Compensations to local bodies, etc. .. ..	..	3,11,562	3,11,562
Total .. .. .	..	3,46,660	3,46,660
13.—Other Taxes and Duties—			
Entertainment tax .. .. .	..	8,167	8,167
Drug control order	653	..	653
Total	653	8,167	8,820
AA.—Principal Revenue Heads—			
Capital Outlay on Salt Works within the Revenue Account—			
5-A.—Capital Outlay on Salt Works—			
Works .. .. .	..	70,063	70,063
Plant and machinery .. .. .	..	—26,278	—26,278
Total .. .. .	..	43,785	43,785

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted.	Voted.	Total.
	(2) Rs.	(3) Rs.	(4) Rs.
B.—Railway Revenue Account—			
15-A.—State Railways—			
Commercial Lines—			
Interest on Debt	26,84,29,645	2,07,508	26,86,37,153
Interest on Capital contributed by Companies and Indian States	48,75,562	..	48,75,562
Total ..	27,33,05,207	2,07,508	27,35,12,715
15-B.—State Railways—			
Strategic Lines—			
Interest on Debt	1,18,18,768	..	1,18,18,768
15-C.—Subsidised Companies—			
Land .. .. .	..	2,293	2,293
Subsidy .. .. .	..	4,08,219	4,08,219
Total ..	..	4,10,512	4,10,512
15-D.—Miscellaneous Railway Expenditure—			
Commercial Lines—			
Railway Board	5,81,673	13,09,736	18,91,409
Inspection	1,74,445	79,055	2,53,500
Audit	1,70,736	13,50,797	15,21,533
Railway Rates Advisory Committee .. .. .	..	69,295	69,295
Chief Mining Engineer	2,34,438	—85,499	1,48,939
Chief Controller of Standardization	60,965	3,05,653	3,66,618
Miscellaneous establishments and charges	29,316	2,94,588	3,23,904
Pensionary charges	8,80,766	4,03,675	12,84,441
Surveys .. .. .	..	—4,189	—4,189
Suspense .. .. .	..	22,469	22,469
Total ..	21,32,339	37,45,580	58,77,919
15-E.—Miscellaneous Railway Expenditure—			
Strategic Lines—			
Inspection	13,713	6,214	19,927
Audit	3,027	17,141	20,168
Pensionary Charges	55,178	30,678	85,856
Total ..	71,918	54,033	1,25,951
15-F.—Transfer to Railway Reserve Fund ..	..	13,20,07,042	13,20,07,042
C.—Revenue Account of Irrigation, Navigation, Embankment and Drainage Works—			
17.—Interest on Works for which Capital Accounts are kept—			
Irrigation Works	6,48,479	..	6,48,479

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted.	Voted.	Total.
	(2) Rs.	(3) Rs.	(4) Rs.
C.—Revenue Account of Irrigation, Navigation, Embankment and Drainage Works—<i>concl'd.</i>			
18.—Other Revenue Expenditure financed from Ordinary Revenues—			
A.—IRRIGATION WORKS—			
(1) Works for which no Capital Accounts are kept—			
Works	12,585	..	12,585
Maintenance and Repairs	17,132	..	17,132
Establishment	—72,755	3,902	—68,853
Tools and Plant	—10,807	..	—10,807
Suspense	—27,421	..	—27,421
Charges in England	1,723	..	1,723
Loss or gain by exchange	3	..	3
(2) Miscellaneous Expenditure—			
Establishment	9,358	1,35,151	1,44,509
Tools and Plant	39	13	52
Other charges .. .. .	..	10,130	10,130
Grants-in-aid	2,918	—22,500	—19,582
Suspense	20,501	..	20,501
Charges in England	4,800	2,708	7,508
Loss or gain by exchange	8	5	13
B.—NAVIGATION, EMBANKMENT AND DRAINAGE WORKS—			
(1) Works for which no Capital Accounts are kept—			
Works	3,635	..	3,635
Maintenance and Repairs	11,333	17,916	29,249
(2) Miscellaneous Expenditure—			
Establishment .. .. .	..	851	851
Tools and Plant .. .. .	..	183	183
Other charges .. .. .	..	590	590
Total	—26,948	1,48,949	1,22,001
CC.—Capital Account of Irrigation, Navigation, Embankment and Drainage Works within the Revenue Account—			
19.—Construction of Irrigation, Navigation, Embankment and Drainage Works—			
B.—FINANCED FROM ORDINARY REVENUES—			
Irrigation Works	24,651	..	24,651
D.—Posts and Telegraphs Revenue Account—			
20.—Posts and Telegraphs—			
Interest on Debt—			
Interest on Capital Outlay	93,99,159	..	93,99,159
DD.—Posts and Telegraphs Capital Account within the Revenue Account—			
21.—Capital Outlay on Posts and Telegraphs—			
Amount transferred from "69.—Capital Outlay on Posts and Telegraphs—A.—Capital Outlay on New Assets" .. .. .	..	—1,41,759	—1,41,759

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted. (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
E.—Debt Services—			
22.—Interest on Debt and Other Obligations—			
A.—Interest on Ordinary Debt—			
(i) RUPEE DEBT—			
1. Interest on Permanent Loans	28,29,63,505	..	28,29,63,505
2. Discount on Loans	57,98,848	..	57,98,848
3. Floating Loans—			
Discount on Treasury Bills	1,65,76,680	..	1,65,76,680
Interest on other Floating Loans	39,452	..	39,452
4. Other Items—			
Expenditure connected with the issue of new loans	100	12,16,734	12,16,834
Management of Debt .. ..	..	17,47,773	17,47,773
Railway specific Debt .. ..	..	—1,23,892	—1,23,892
Miscellaneous	10,569	74,896	85,465
Deduct—Interest realized on investment of Cash balances in short term bonds, etc.	—2,12,42,379	..	—2,12,42,379
Total—Rupee Debt	28,41,46,775	29,15,511	28,70,62,286
(ii) STERLING DEBT—			
Interest on Loans contracted in England under various Acts	54,96,195	..	54,96,195
Interest portion of Annuities created in purchase of Railways	1,30,25,733	..	1,30,25,733
Interest on outstanding liabilities of Railway Companies taken over on purchase or termination of contract	47,42,335	..	47,42,335
Interest on Sterling Loans repatriated to India	—42,518	..	—42,518
Discount on Loans	44,79,581	..	44,79,581
Management of Debt .. ..	..	1,27,505	1,27,505
Railway specific Debt .. ..	..	—83,617	—83,617
Other Items—			
Difference between par value and cost of India Bonds purchased for cancellation	1,02,230	..	1,02,230
Other items	2,502	..	2,502
Stamp duty on transfers and powers of Attorney, etc. .. ..	..	47,831	47,831
Loss or gain by exchange	48,428	305	48,733
Total—Sterling Debt	2,78,54,486	92,024	2,79,46,510
B.—Interest on Unfunded Debt—			
1. Special Loans—			
Interest on Loans from the late King of Oudh	6,64,594	..	6,64,594
Interest on other Special Loans	35,160	..	35,160
2. Treasury Notes of Service and Other Funds	2,665	..	2,665
3. Deposits of Service Funds bearing interest—			
Interest on Bengal Uncovenanted Service Family Pension Fund	2,55,034	..	2,55,034
Interest on Bengal and Madras Service Family Pension Fund	70,752	..	70,752
Interest on Bombay Family Pension Fund of Government Servants (Widows' Pension Branch)	1,20,244	..	1,20,244
Interest on Madras Military Assistant Surgeons' Fund	15,150	..	15,150
4. Savings Bank Deposits—			
Interest on Post Office Savings Bank Deposits	92,98,260	..	92,98,260
Interest on Defence Savings Bank Deposits	3,80,998	..	3,80,998
Interest on Post Office Cash Certificates	95,00,000	..	95,00,000
Interest on Defence Savings Certificates	12,00,000	..	12,00,000
Payments to Post Office for Savings Bank, Cash Certificate and Defence Savings Certificate work .. ..	..	60,25,248	60,25,248

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted. (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
E.—Debt Services—<i>contd.</i>			
22.—Interest on Debt and Other Obligations— <i>contd.</i>			
B.—Interest on Unfunded Debt—<i>concl'd.</i>			
5. State Provident Funds—			
Interest on General Provident Fund ..	40,39,017	..	40,39,017
Interest on Indian Civil Service Provident Fund ..	90,388	..	90,388
Interest on Indian Civil Service (Non-European Members) Provident Fund ..	3,521	..	3,521
Interest on Defence Savings Provident Fund ..	18,40,788	..	18,40,788
Interest on Defence Savings Railway Provident Fund ..			
Interest on Defence Services Officers' Provident Fund ..			
Interest on Indian Ordnance Department Provident Fund ..			
Interest on Military Engineer Services Provident Fund ..			
Interest on Contributory Provident Fund ..			
Interest on other Miscellaneous Provident Funds ..			
Interest on Deposits in State Railway Provident Institution ..	2,08,04,327	..	2,08,04,327
Interest on Companies Railways' Provident Funds ..	64,43,173	..	64,43,173
6. Special Deposit Accounts—			
Interest on Postal Insurance and Life Annuity Fund ..	35,46,530	..	35,46,530
Interest on General Family Pension Fund ..	19,67,578	..	19,67,578
Interest on Hindu Family Annuity Fund ..			
Interest on Bengal Christian Family Pension Fund ..			
Interest on Bombay Family Pension Fund of Government Servants (Life Assurance Branch) ..			
Interest on Cemetery Endowment Fund ..			
Interest on Railway Staff Benefit Fund ..			
Interest on Indian Railway Conference Association Employees' Provident Fund ..			
Interest on Eastern Group Sleeper Control Provident Fund ..			
Interest charges on undisbursed pay of Indian Ranks ..			
Payments in England—			
Interest on balances of the Indian Civil Service Family Pension Fund ..	5,49,711	..	5,49,711
Interest on balances of the Indian Military Service Family Pension Fund ..	8,21,208	..	8,21,208
Interest on balances of the Indian Military Widows' and Orphans' Fund ..	1,09,348	..	1,09,348
Loss or gain by exchange ..	2,574	..	2,574
Total B.—Interest on Unfunded Debt	6,17,61,020	60,25,248	6,77,86,268
C —Interest on other Obligations—			
Interest on Depreciation Reserve and other Reserve Funds—			
Interest on Railway Reserve Fund ..	58,96,864	..	58,96,864
Interest on Railway Renewals Reserve Fund ..	4,46,368	..	4,46,368
Interest on Depreciation Reserve Fund—Railways ..	3,41,78,381	..	3,41,78,381
Interest on Renewals Reserve Fund—Northern India Salt Revenue Department ..	1,06,874	..	1,06,874

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS.—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
E.—Debt Services—<i>concl'd.</i>			
22.—Interest on Debt and Other Obligations— <i>concl'd.</i>			
C.—Interest on other Obligations— <i>concl'd.</i>			
Interest on Depreciation Reserve and other Reserve Funds—			
Interest on Renewals Reserve Fund—			
Posts and Telegraphs Department ..	13,10,439	..	13,10,439
Interest on General Reserve Fund—Light-houses and Lightships	1,73,058	..	1,73,058
Interest on Depreciation Reserve Fund—Lighthouses and Lightships	62,306	..	62,306
Other Items—			
Miscellaneous	36,09,694	1,333	36,11,027
Payments in England—			
Interest on Bengal and North Western Rail-way : 5 per cent. Debenture Stock : Dis-count Sinking Fund	56,112	..	56,112
Loss or gain by exchange	98	..	98
Total C.—Interest on other Obligations	4,58,40,194	1,333	4,58,41,527
D.—Transfers—			
Deduct—			
Interest transferred to Commercial Depart-ments, etc.	—29,17,34,274	..	—29,17,34,274
Interest paid by Provincial Governments and the Government of Coorg ..	—4,41,76,261	..	—4,41,76,261
Interest portion of equated payments on account of Commuted value of Pensions	—18,05,543	..	—18,05,543
Total D.—Transfers ..	—33,77,16,078	..	—33,77,16,078
Total 22.—Interest, etc. ..	8,18,86,397	90,34,116	9,09,20,513
23.—Appropriation for Reduction or Avoidance of Debt—			
Sinking Funds	95,04,000	..	95,04,000
Other Appropriations	2,04,96,000	..	2,04,96,000
Total ..	3,00,00,000	..	3,00,00,000
F.—Civil Administration—			
25.—General Administration—			
A.—HEADS OF PROVINCES (INCLUDING THE GOVERNOR GENERAL), EXECUTIVE COUNCIL AND MINISTERS—			
Salary of the Governor General	2,49,525	..	2,49,525
Secretariat Staff of Governor General ..	8,66,901	..	8,66,901
Staff and Household of Governor General ..	2,36,650	..	2,36,650
Sumptuary allowance of Governor General	45,000	..	45,000
State conveyances and motors of the Gover-nor General	45,959	..	45,959
Expenditure from contract allowance ..	2,64,631	..	2,64,631
Tour expenses	3,80,664	..	3,80,664
Chief Commissioners	5,29,604	1,65,076	6,94,610
Executive Council	7,97,281	1,81,316	9,78,597
B.—LEGISLATIVE BODIES—			
Council of State .. ..	..	1,55,875	1,55,875
Indian Legislative Assembly	53,194	3,93,092	4,46,286
Legislative Assembly Department .. ..	..	3,64,921	3,64,921
Elections for Legislature .. ..	..	44,370	44,370

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted. (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
F.—Civil Administration—<i>contd.</i>			
25.—General Administration—<i>concl'd.</i>			
C.—SECRETARIAT AND HEADQUARTERS ESTABLISHMENTS—			
Civil Secretariats	98,40,787	1,14,59,212	2,12,99,999
Public Service Commission	4,14,956	..	4,14,956
E.—DISTRICT ADMINISTRATION—			
General Establishments	6,09,203	5,50,040	11,59,243
Sub-divisional Establishments	2,62,684	8,990	2,71,674
Other Establishments	74,460	62,417	1,36,877
G.—MISCELLANEOUS—			
Payments to the Crown Department on account of work done or services rendered to the Central Government .. .. .	..	4,924	4,924
Payments to other Governments, Departments, etc., connected with administration of Agency Subjects and management of Treasuries .. ..	..	91,133	91,133
Miscellaneous	2,00,498	23,776	2,24,274
Deduct—Contributions recoverable from other Governments, Departments, etc.	—3,50,000	..	—3,50,000
H.—CHARGES IN ENGLAND—			
A.—Secretary of State for India—			
Payments to His Majesty's Exchequer towards expenses of the Departments of the Secretary of State for India	13,60,000	..	13,60,000
Other Items	69,198	79,392	1,48,590
Loss or gain by exchange	2,486	138	2,624
B.—High Commissioner for India—			
Salaries and Expenses of the High Commissioner's Department	7,94,397	20,75,629	28,70,026
Other Items	6,36,522	46,600	6,83,122
Loss or gain by exchange	2,489	3,698	6,187
Total	1,73,87,089	1,57,10,529	3,30,97,618
26.—Audit—			
Auditor General	48,495	3,50,167	3,98,662
Officers of the Indian Audit Department	6,45,655	16,87,736	23,33,391
Accounts and Audit Offices	23,790	1,31,52,791	1,31,76,581
Deduct—Establishment charges recovered from other Governments, Departments, etc.	—2,16,312	—55,46,071	—57,62,383
Charges in England	1,48,278	40,579	1,88,857
Loss or gain by exchange	258	71	329
Total	6,50,164	96,85,273	1,03,35,437
27.—Administration of Justice—			
Federal Court	2,78,694	..	2,78,694
High Courts and Chief Courts .. .. .	..	58,750	58,750
Law Officers	39,374	83,885	1,23,259
Expenditure connected with the trial of offences under the Criminal Law Amendment Ordinance, 1943	23,212	68,932	92,144
Expenditure connected with the trial of offences under the Enemy Agents Ordinance, 1943	4,556	9,155	13,711
Administrator General and Official Trustees .. ..	..	556	556
Judicial Commissioner	36,728	7,092	43,820
Civil and Sessions Courts	76,336	2,03,920	2,80,256
Courts of Small Causes .. .. .	..	53,414	53,414
Criminal Courts	77,805	68,535	1,46,340
Charges in England	25,800	259	26,059
Loss or gain by exchange	45	..	45
Total	5,62,550	5,54,498	11,17,048

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted. (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
F.—Civil Administration—<i>contd.</i>			
28.—Jails and Convict Settlements—			
Jails	3,18,155	6,26,231	9,44,386
Jail manufactures	38,979	22,472	61,451
Charges in England	18,160	5,767	23,920
Loss or gain by exchange	31	10	41
Total	3,75,325	6,54,473	10,29,798
29.—Police—			
Presidency Police .. .. .	..	77,50,580	77,50,580
District Executive Force	13,32,257	1,61,75,967	1,75,08,224
Criminal Investigation Department .. .. .	..	2,46,303	2,46,303
Police Training School	2,526	8,050	10,576
Special Police .. .. .	..	3,35,656	3,35,656
Railway Police	1,23,585	41,550	1,65,135
Miscellaneous	74,000	6,18,908	6,92,908
Charges in England	29,534	..	29,534
Loss or gain by exchange	51	..	51
Total	15,61,953	2,51,77,014	2,67,38,967
30.—Ports and Pilotage—			
A.—Major Ports—			
(1) PILOT SERVICE—			
Revenue Account—			
Pay and allowances of officers and men afloat	44,820	1,80,331	2,25,151
Victualling allowances of officers and men afloat	1,750	78,039	79,789
Purchase of stores .. .. .	..	2,50,017	2,50,017
Repairs and maintenance .. .. .	..	1,04,804	1,04,804
Pilotage and Pilot establishments	3,62,338	3,10,157	6,72,495
Charges in England	1,02,108	48,712	1,50,820
Loss or gain by exchange	178	85	263
(2) OTHER CHARGES—			
Direction (Headquarters establishments)	26,539	83,638	1,10,177
Principal officers and their establishments	1,43,965	15,83,909	17,27,874
Shipping offices	17,441	2,57,383	2,74,824
Ship Survey Department	1,57,917	82,614	2,40,531
Training Ships	307	3,75,504	3,75,811
Miscellaneous .. .. .	..	9,785	9,785
Deduct—Establishment charges recovered from other Governments, Departments, etc.	—45,922	—48,527	—94,449
Charges in England	40,573	11,007	51,580
Loss or gain by exchange	70	19	89
Total	8,52,084	33,27,477	41,79,561
31.—Lighthouses and Lightships—			
CAPITAL ACCOUNT—			
Stock and Suspense .. .. .	..	—709	—709
Deduct—Amount financed from General Reserve Fund—Lighthouses and Lightships .. .. .	..	+709	+709

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS.—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted.	Voted.	Total.
	(2) Rs.	(3) Rs.	(4) Rs.
F.—Civil Administration—<i>contd.</i>			
31.—Lighthouses and Lightships—<i>concd.</i>			
REVENUE ACCOUNT—			
Direction		84,349	84,349
Lighthouses—Working expenses	7,676	1,71,095	1,78,771
Lightships—Working expenses	2,400	61,851	64,251
Contribution to Depreciation Reserve Fund ..		54,599	54,599
Contribution to the General Reserve Fund ..		4,17,574	4,17,574
Cost of Accounts and Audit		6,790	6,790
Pensionary and Provident Fund charges ..		19,015	19,015
Miscellaneous		14,600	14,600
Charges in England		96	96
Total ..	10,076	8,29,969	8,40,045
32.—Ecclesiastical—			
Ecclesiastical establishment	20,37,436		20,37,436
Cemetery establishment	2,02,864		2,02,864
Works	4,58,485		4,58,485
Miscellaneous Ecclesiastical charges ..	3,142		3,142
Charges in England	4,27,637		4,27,637
Loss or gain by exchange	743		743
Deduct—Charges recovered from other Departments—			
Railways	—6,11,891		—6,11,891
Defence	—18,32,682		—18,32,682
Total ..	6,85,734		6,85,734
33.—Payments to Crown Representative—			
Crown Representative's Secretariat	7,43,847		7,43,847
Political Agencies	37,57,651		37,57,651
Education expenditure other than in areas ..	1,473		1,473
Civil Works	4,92,016		4,92,016
Political Pensions	20,56,266		20,56,266
Superannuation Allowances and Pensions ..	2,96,648		2,96,648
Rajputana	8,78,964		8,78,964
Central India	10,42,029		10,42,029
Hyderabad	10,89,859		10,89,859
Western India States Agency	15,96,853		15,96,853
Bangalore	24,74,672		24,74,672
Miscellaneous	29,71,594		29,71,594
Charges in England	6,59,089		6,59,089
Loss or gain by exchange	1,137		1,137
Gross Expenditure ..	1,80,62,098		1,80,62,098
Deduct—Receipts	—46,80,955		—46,80,955
Net Expenditure ..	1,33,81,143		1,33,81,143
34.—Tribal Areas—			
A.—FRONTIER WATCH AND WARD—			
Frontier Constabulary and Militia	1,65,71,994		1,65,71,994
Buildings and Communications	38,53,364		38,53,364
Miscellaneous	3,55,289		3,55,289

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted.	Voted.	Total.
	(2) Rs.	(3) Rs.	(4) Rs.
F.—Civil Administration—<i>contd.</i>			
34.—Tribal Areas—<i>concl'd.</i>			
B.—OTHER CHARGES—			
Political and Administrative charges ..	16,19,165	..	16,19,165
Works	3,13,033	..	3,13,033
Allowances to Frontier Tribes	8,68,595	..	8,68,595
Entertainment charges	4,64,269	..	4,64,269
Transfer to Fund for Special Frontier Expenditure including Development ..	25,00,000	..	25,00,000
Payment to the Baluchistan Administration for administration of Tribal Areas	1,50,000	..	1,50,000
Miscellaneous expenditure	17,97,281	..	17,97,281
Deduct—Amount transferred from the Fund for Special Frontier expenditure including Development	—1,61,670	..	—1,61,670
Deduct—Charges recovered from other Governments, Departments, Indian States, Local Funds, etc.	—74,901	..	—74,901
C.—Charges in England	90,582	..	90,582
Loss or gain by exchange	180	..	180
Total ..	2,83,47,181	..	2,83,47,181
35.—External Affairs—			
External Affairs Department Secretariat ..	18,03,438	..	18,03,438
Charges on account of Diplomatic and Consular Services in Iran	18,65,411	..	18,65,411
Other Diplomatic and Administrative charges ..	41,16,613	..	41,16,613
Subsidies	5,51,831	..	5,51,831
Entertainment charges	59,791	..	59,791
Special Diplomatic Expenditure	10,00,000	..	10,00,000
Refugees and State Prisoners	2,88,734	..	2,88,734
Miscellaneous	3,80,349	..	3,80,349
Works	11,635	..	11,635
Charges in England	12,15,090	..	12,15,090
Loss or gain by exchange	2,114	..	2,114
Total ..	1,12,95,006	..	1,12,95,006
36.—Scientific Departments—			
Survey of India	5,23,825	—31,70,219	—26,46,394
Botanical Survey	17,256	70,386	87,642
Zoological Survey	34,997	1,83,258	2,18,255
Geological Survey	1,87,278	31,76,146	33,63,424
Exploration of Coal, Petroleum and Minerals ..	3,915	..	3,915
Mines Department	97,065	1,85,426	2,82,491
Archæological Department	46,827	10,69,872	11,16,699
Grants-in-aid and donations to Scientific Societies and Institutes .. .. .	..	3,22,720	3,22,720
Meteorological Department	64,325	25,86,896	26,51,221
Museums .. .. .	..	35,996	35,996
Works .. .. .	..	10,322	10,322
Charges in England	83,044	2,22,105	3,05,149
Loss or gain by exchange	143	391	534
Total ..	10,52,675	46,93,299	57,51,974

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
F.—Civil Administration—<i>contd.</i>			
37.—Education—			
A.—UNIVERSITY—			
Grants to Universities .. .. .	..	12,00,443	12,00,443
Government Arts Colleges .. .. .	..	79,570	79,570
Grants to Non-Government Arts Colleges .. .. .	..	2,88,398	2,88,398
Government Professional Colleges .. .. .	..	390	390
B.—SECONDARY—			
Government Intermediate Colleges and Secondary Schools	1,57,337	2,38,859	3,96,196
Direct grants to Non-Government Secondary Schools	27,294	4,81,091	5,08,385
Grants to local bodies for Secondary education.. .. .	..	1,08,883	1,08,883
C.—PRIMARY—			
Government Primary Schools	1,75,058	1,57,633	3,32,691
Direct grants to Non-Government Primary Schools .. .. .	..	5,340	5,340
Grants to local bodies for Primary education .. .. .	..	3,14,435	3,14,435
D.—SPECIAL—			
Government Special Schools .. .. .	..	3,95,234	3,95,234
Direct grants to Non-Government Special Schools	10,212	3,500	13,712
E.—GENERAL—			
Direction	41,505	15,758	57,263
Inspection	17,249	92,555	1,09,804
Scholarships	33,686	17,449	51,135
Miscellaneous	6,870	20,604	27,474
Deduct—Contributions recovered from other Governments, Departments, etc. .. .. .	..	—8,000	—8,000
F.—CHARGES IN ENGLAND—			
High Commissioner	1,329	9,267	10,596
Loss or gain by exchange	2	16	18
Total	4,70,542	34,23,425	38,93,967
38.—Medical—			
Medical establishments	4,46,331	6,88,587	11,34,918
Hospitals and dispensaries	2,67,476	6,86,627	9,54,103
Grants for medical purposes .. .. .	..	7,77,185	7,77,185
Medical Colleges and Schools	2,850	49,488	52,338
Mental hospitals	14,758	3,948	18,706
Charges in England	46,962	21,937	68,899
Loss or gain by exchange	82	38	120
Total	7,78,459	22,27,810	30,06,269
39.—Public Health—			
Public health establishments	69,949	6,16,621	6,86,570
Grants for public health purposes	1,000	3,65,060	3,66,060
Expenses in connection with epidemic diseases	56,936	3,62,414	4,19,350
Bacteriological laboratories	48,570	4,41,529	4,90,099
Pasteur Institutes .. .. .	..	2,492	2,492
Works .. .. .	..	27,865	27,865
Charges in England	27,391	12,986	40,377
Loss or gain by exchange	48	22	70
Total	2,03,894	18,28,989	20,32,883

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted. (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
F.—Civil Administration—<i>contd.</i>			
40.—Agriculture—			
Superintendence .. .. .	..	2,57,013	2,57,013
Subordinate and expert staff	41,616	7,28,928	7,70,544
Experimental farms	29,820	1,29,031	1,58,851
Agricultural demonstration and propaganda, including public exhibition and fairs	3,400	..	3,400
Agricultural experiments and research	1,33,684	..	1,33,684
Agricultural education .. .. .	..	—8,324	—8,324
Imperial Council of Agricultural Research De- partment	1,17,148	2,21,408	3,38,556
Grant for the improvement of production and marketing of tobacco .. .. .	..	10,00,000	10,00,000
Payment of the net proceeds of customs duty on coffee to the Indian Coffee Market Expansion Board	79,493	..	79,493
Scheme for the improvement of Agricultural Marketing in India	31,720	4,18,383	4,50,103
Block grant for transfer to Sugar Excise Fund .. .. .	..	12,61,000	12,61,000
Grants-in-aid, contributions, etc. .. .. .	..	5,34,000	5,34,000
Transfer to the Fund for benefit of cotton growers	1,00,00,000	..	1,00,00,000
Transfer of the net proceeds of the Sugar (Tempo- rary Excise) Duty to the Sugar (Temporary Excise) Fund .. .. .	..	57,69,419	57,69,419
Payments of the net proceeds of the Agricultural Produce Cess to the Imperial Council of Agri- cultural Research	11,41,541	..	11,41,541
Other charges .. .. .	..	7,508	7,508
Charges in England	10,142	19,674	29,816
Loss or gain by exchange	18	34	52
Total	1,15,88,582	1,03,38,134	2,19,26,716
41.—Veterinary—			
Veterinary education and research	1,000	..	1,000
Superintendence	4,698	33,906	38,604
Subordinate establishment	8,347	..	8,347
Hospitals and dispensaries	47,470	..	47,470
Breeding operations	3,958	..	3,958
Other charges	21,911	10,84,693	11,06,604
Charges in England	4,800	26,619	31,419
Loss or gain by exchange	8	46	54
Total	92,192	11,45,264	12,37,456
42.—Co-operation—			
Superintendence .. .. .	..	58,268	58,268
Grants-in-aid .. .. .	..	11,800	11,800
Total .. .. .	..	70,068	70,068
43.—Industries—			
Industries .. .. .	..	1,39,292	1,39,292
Indian School of Mines .. .. .	..	1,96,624	1,96,624
Grants-in-aid .. .. .	..	7,26,600	7,26,600
Scientific and Industrial Research .. .. .	..	10,02,452	10,02,452
Government Test House .. .. .	..	3,37,853	3,37,853
Charges in England .. .. .	..	13,984	13,984
Loss or gain by exchange .. .. .	..	24	24
Total .. .. .	..	24,16,829	24,16,829

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted.	Voted.	Total.
	(2) Rs.	(3) Rs.	(4) Rs.
F.—Civil Administration—<i>concl'd.</i>			
44.—Aviation—			
Direction, Operation and Inspection .. ..	..	9,85,243	9,85,243
Grants for Aviation purposes .. ..	..	5,80,000	5,80,000
Special grants-in-aid from the additional tax on petrol consumed for Aviation purposes .. ..	..	6,39,498	6,39,498
Appropriation to Civil Aviation Fund .. ..	..	3,00,000	3,00,000
Appropriation to the Fund for Development of Civil Aviation .. ..	..	15,00,000	15,00,000
Deduct—Amonut met from Civil Aviation Fund Works .. ..	..	—6,39,498	—6,39,498
Special services and miscellaneous expenditure .. ..	..	5,45,808	5,45,808
Charges in England .. ..	..	26,36,386	26,36,386
Loss or gain by exchange .. ..	..	50,941	50,941
	..	90	90
Total .. ..	..	65,98,468	65,98,468
45.—Broadcasting—			
Headquarters establishments	12,905	3,33,982	3,46,887
Broadcasting stations .. ..	..	31,04,632	31,04,632
Other charges .. ..	..	10,57,172	10,57,172
Block grant for transfer to the Fund for Development of Broadcasting .. ..	..	12,00,000	12,00,000
Charges in England .. ..	..	1,08,664	1,08,664
Loss or gain by exchange .. ..	..	189	189
Total	12,905	58,04,639	58,17,544
47.—Miscellaneous Departments—			
LABOUR AND EMIGRATION—			
Emigration	96,781	2,76,831	3,73,612
Inspector of Factories .. ..	..	398	398
INSPECTION AND TEST—			
Explosives .. ..	..	2,45,964	2,45,964
Inspector of Steam Boilers	5,395	14,705	20,100
STATISTICS—			
Bureau of Commercial Intelligence including Statistics	76,268	8,60,515	9,36,783
Census	1,516	5,205	6,721
MISCELLANEOUS—			
Imperial Dairy Department .. ..	..	3,79,469	3,79,469
Registration of Accountants .. ..	..	14,781	14,781
Examinations	2,123	..	2,123
Superintendent of Insurance .. ..	..	3,12,198	3,12,198
Imperial Library .. ..	..	1,06,451	1,06,451
Controller of Patents, and Designs	22,670	85,139	1,07,809
Indian War Memorial	1,500	3,199	4,699
Registrar of Trade Marks	704	2,48,487	2,49,191
Registrar of Joint Stock Companies .. ..	..	2,02,866	2,02,866
Administration of Indian Partnership Act, 1932 .. ..	..	1,188	1,188
Employment exchanges .. ..	..	19,961	19,961
Miscellaneous .. ..	..	3,729	3,729
Charges in England	8,061	24,024	32,085
Loss or gain by exchange	14	42	56
Total	2,15,032	28,05,152	30,20,184

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted. (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
FF.—Civil Administration—Capital Accounts within the Revenue Account—			
44-A.—Capital Outlay on Civil Aviation—			
A.—CIVIL AVIATION—			
Works .. .. .	..	11,87,137	11,87,137
Equipment .. .. .	..	6,803	6,803
Establishment	20,862	22,567	43,429
B.—METEOROLOGICAL—			
Works .. .. .	..	6,470	6,470
Deduct—Receipts and Recoveries on Capital Account .. .. .	..	—50,000	—50,000
Charges in England	7,453	..	7,453
Loss or gain by exchange	13	..	13
Deduct—Amount transferred from the Fund for the Development of Civil Aviation	—28,328	—11,72,977	—12,01,305
Total .. .. .	..	..	..
45-A.—Capital Outlay on Broadcasting—			
Works .. .. .	..	17,01,496	17,01,496
Equipment .. .. .	..	6,83,223	6,83,223
Installation Department .. .. .	..	1,59,112	1,59,112
Deduct—Receipts and Recoveries on Capital Account .. .. .	..	—15,45,556	—15,45,556
Deduct—Amount met from the Fund for the Development of Broadcasting .. .. .	..	—9,98,275	—9,98,275
Total .. .. .	..	..	..
G.—Currency and Mint—			
48.—Currency—			
CURRENCY NOTE PRINTING PRESS—			
1. Capital Account—			
Buildings .. .. .	..	45,146	45,146
Plant and machinery .. .. .	..	1,89,219	1,89,219
Minor equipment .. .. .	..	—355	—355
Miscellaneous .. .. .	..	2,522	2,522
Deduct—Depreciation .. .. .	..	—91,574	—91,574
2. Revenue Account—			
(i) Working Expenses	18,955	58,59,807	58,78,762
(ii) Interest on Capital	2,40,790	..	2,40,790
Miscellaneous .. .. .	..	31,38,345	31,38,345
Total	2,59,745	91,43,110	94,02,855
49.—Mint—			
Mint Masters' establishment and contingencies	98,953	73,84,718	74,83,671
Loss on coinage .. .. .	..	13,428	13,428
Purchase of local stores .. .. .	..	53,14,818	53,14,818
Works .. .. .	..	2,01,163	2,01,163
Charges in England	9,067	2,15,997	2,25,064
Loss or gain by exchange	16	375	391
Total	1,08,036	1,31,30,499	1,32,38,535

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*cont'd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted.	Voted.	Total.
	(2) Rs.	(3) Rs.	(4) Rs.
H.—Civil Works and Miscellaneous Public Improvements—			
50.—Civil Works—			
Original Works—Buildings—			
Customs .. .. .	..	50,088	50,088
Taxes on Income .. .. .	..	14,626	14,626
Salt .. .. .	..	3,498	3,498
Opium .. .. .	..	26,820	26,820
Land Revenue	1,416	139	1,555
Excise .. .. .	..	475	475
Forest .. .. .	..	15,953	15,953
General Administration	6,83,873	1,35,780	8,19,653
Audit .. .. .	..	23,702	23,702
Administration of Justice	—13	8,675	8,662
Jails and Convict Settlements	5,265	1,302	6,567
Police	23,246	42,209	65,455
Ports and Pilotage .. .. .	..	76,072	76,072
External Affairs	36,002	..	36,002
Scientific Departments	18	6,36,453	6,36,471
Education other than European and Anglo-Indian Education	25,522	2,12,287	2,37,809
Medical	2,91,319	7,472	2,98,791
Public Health .. .. .	..	1,93,932	1,93,932
Agriculture	5,875	54,699	60,574
Veterinary	2,079	18,174	20,253
Industries .. .. .	..	44,061	44,061
Mint .. .. .	..	11,15,733	11,15,733
Currency .. .. .	..	279	279
Civil Works	32,525	90,367	1,22,892
Stationery and Printing .. .. .	..	2,38,474	2,38,474
Miscellaneous Departments	4,767	73,218	77,985
Air Raid Precautions	1,250	2,63,837	2,65,087
Tribal Areas	10,708	..	10,708
Total—Original Works—Buildings ..	11,23,852	33,48,305	44,72,157
Original Works—Communications	3,23,459	2,36,232	5,59,691
Original Works—Miscellaneous	7,16,053	5,214	7,21,267
Repairs—			
Buildings	13,04,967	54,83,223	67,88,190
Communications	3,97,981	12,36,109	16,34,090
Miscellaneous	698	5,13,059	5,13,757
Establishment	13,05,540	—7,45,762	5,59,778
Tools and Plant	40,612	9,85,188	10,25,800
Grants-in-aid .. .. .	..	87,364	87,364
Suspense	92,030	—1,98,26,098	—1,97,34,068
Block grant for transfer to Central Road Fund .. .. .	..	92,00,000	92,00,000
Deduct—Amount met from Central Road Fund	—42,006	—1,11,115	—1,53,121
Deduct—Amount met from subventions from Central Road Fund .. .. .	..	—1,55,349	—1,55,349
Deduct—Amount recovered from the Crown Representative's Department for works pertaining to that Department .. .. .	..	—6,000	—6,000
Deduct—Amount met from the Fund for Economic Development of Rural Areas	—83	..	—83
Charges in England	25,333	54,716	80,049
Loss or gain by exchange	43	96	139
Total ..	52,88,479	3,05,182	55,93,661

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted.	Voted.	Total.
	(2) Rs.	(3) Rs.	(4) Rs.
FF.—Civil Administration—Capital Accounts within the Revenue Account—			
44-A.—Capital Outlay on Civil Aviation—			
A.—CIVIL AVIATION—			
Works .. .. .	..	11,87,137	11,87,137
Equipment .. .. .	..	6,803	6,803
Establishment	20,862	22,567	43,429
B.—METEOROLOGICAL—			
Works .. .. .	..	6,470	6,470
Deduct—Receipts and Recoveries on Capital Account .. .. .	..	—50,000	—50,000
Charges in England	7,453	..	7,453
Loss or gain by exchange	13	..	13
Deduct—Amount transferred from the Fund for the Development of Civil Aviation	—28,328	—11,72,977	—12,01,305
Total .. .. .	..	..	..
45-A.—Capital Outlay on Broadcasting—			
Works .. .. .	..	17,01,496	17,01,496
Equipment .. .. .	..	6,83,223	6,83,223
Installation Department .. .. .	..	1,59,112	1,59,112
Deduct—Receipts and Recoveries on Capital Account .. .. .	..	—15,45,556	—15,45,556
Deduct—Amount met from the Fund for the Development of Broadcasting .. .. .	..	—9,98,275	—9,98,275
Total .. .. .	..	..	..
G.—Currency and Mint—			
48.—Currency—			
CURRENCY NOTE PRINTING PRESS—			
1. Capital Account—			
Buildings .. .. .	..	45,146	45,146
Plant and machinery .. .. .	..	1,89,219	1,89,219
Minor equipment .. .. .	..	—355	—355
Miscellaneous .. .. .	..	2,522	2,522
Deduct—Depreciation .. .. .	..	—91,574	—91,574
2. Revenue Account—			
(i) Working Expenses	18,955	58,59,807	58,78,762
(ii) Interest on Capital	2,40,790	..	2,40,790
Miscellaneous .. .. .	..	31,38,345	31,38,345
Total	2,59,745	91,43,110	94,02,855
49.—Mint—			
Mint Masters' establishment and contingencies	98,953	73,84,718	74,83,671
Loss on coinage .. .. .	..	13,428	13,428
Purchase of local stores .. .. .	..	53,14,818	53,14,818
Works .. .. .	..	2,01,163	2,01,163
Charges in England	9,067	2,15,997	2,25,064
Loss or gain by exchange	16	375	391
Total	1,08,036	1,31,30,499	1,32,38,535

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted. (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
H.—Civil Works and Miscellaneous Public Improvements—			
50.—Civil Works—			
Original Works—Buildings—			
Customs .. .. .	..	50,088	50,088
Taxes on Income .. .. .	..	14,626	14,626
Salt .. .. .	..	3,498	3,498
Opium .. .. .	..	26,820	26,820
Land Revenue	1,416	139	1,555
Excise .. .. .	..	475	475
Forest .. .. .	..	15,953	15,953
General Administration	6,83,873	1,35,780	8,19,653
Audit .. .. .	..	23,702	23,702
Administration of Justice	—13	8,675	8,662
Jails and Convict Settlements	5,265	1,302	6,567
Police	23,246	42,209	65,455
Ports and Pilotage .. .. .	..	76,072	76,072
External Affairs	36,002	..	36,002
Scientific Departments	18	6,36,453	6,36,471
Education other than European and Anglo-Indian Education	25,522	2,12,287	2,37,809
Medical	2,91,319	7,472	2,98,791
Public Health .. .. .	..	1,93,932	1,93,932
Agriculture	5,875	54,699	60,574
Veterinary	2,079	18,174	20,253
Industries .. .. .	..	44,061	44,061
Mint .. .. .	..	11,15,733	11,15,733
Currency .. .. .	..	279	279
Civil Works	32,525	90,367	1,22,892
Stationery and Printing .. .. .	..	2,38,474	2,38,474
Miscellaneous Departments	4,767	73,218	77,985
Air Raid Precautions	1,250	2,63,837	2,65,087
Tribal Areas	10,708	..	10,708
Total—Original Works—Buildings ..	11,23,852	33,48,305	44,72,157
Original Works—Communications	3,23,459	2,36,232	5,59,691
Original Works—Miscellaneous	7,16,053	5,214	7,21,267
Repairs—			
Buildings	13,04,967	54,83,223	67,88,190
Communications	3,97,981	12,36,109	16,34,090
Miscellaneous	698	5,13,059	5,13,757
Establishment	13,05,540	—7,45,762	5,59,778
Tools and Plant	40,612	9,85,188	10,25,800
Grants-in-aid .. .. .	..	87,361	87,361
Suspense	92,030	—1,98,26,098	—1,97,34,068
Block grant for transfer to Central Road Fund .. .. .	..	92,00,000	92,00,000
Deduct—Amount met from Central Road Fund	—42,006	—1,11,115	—1,53,121
Deduct—Amount met from subventions from Central Road Fund .. .. .	..	—1,55,349	—1,55,349
Deduct—Amount recovered from the Crown Representative's Department for works pertaining to that Department .. .. .	..	—6,000	—6,000
Deduct—Amount met from the Fund for Economic Development of Rural Areas	—83	..	—83
Charges in England	25,333	54,718	80,049
Loss or gain by exchange	43	96	139
Total ..	52,88,479	3,05,182	55,93,661

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted (2) Rs.	Voted (3) Rs.	Total. (4) Rs.
J.—Miscellaneous—			
54.—Famine—			
A.—FAMINE RELIEF—			
Salaries and Establishment .. ..	..	97,541	97,541
Miscellaneous .. ..	..	47	47
Total ..	..	97,588	97,588
55.—Superannuation Allowances and Pensions—			
Superannuation and Retired Allowances ..	45,97,600	69,01,678	1,15,89,278
Equated payments of Commuted value of Pensions transferred from Capital (outside the Revenue Account)	13,55,982	32,02,966	45,58,948
Compassionate Allowances	87,222	1,80,565	2,67,787
Gratuities	27,833	56,579	84,412
Contributions for Pensions and Gratuities ..	..	15	15
Pensions for distinguished and meritorious services or for political considerations ..	3,19,525	3,885	3,23,410
Charitable Allowances	2,946	..	2,946
Pensions, etc., under the War Risks Compensation Scheme .. ..	..	22,081	22,081
Special pension connected with War, 1914 ..	..	12,927	12,927
Pension to the dependents of deceased lascars (ex-German Ships) interned during the War in Germany .. ..	..	642	642
Donations to Service Funds	1,159	..	1,159
Donations to Provident Funds	37,110	2,19,762	2,56,872
Pensions of the Military Fund	1,680	..	1,680
Pensions of the Military Orphan Fund ..	10,179	..	10,179
Pensions of the Medical Retiring Fund ..	1,587	..	1,587
Pensions under the Indian Civil Service (Non-European Members) Family Pension Rules	50,671	..	50,671
Government contribution paid under the Indian Civil Service Family Pension Rules	4,626	..	4,626
Concession grants in respect of past contributions to Annuities	533	..	533
Covenanted Civil Service Pensions	1,70,563	..	1,70,563
Pensions of the Bengal Civil Fund	1,260	..	1,260
Pensions of the Madras Civil Fund	16,667	..	16,667
Pensions of the Bombay Civil Fund	360	..	360
Pensions under the Superior Service (India) Family Pensions (un-transferred) Rules ..	1,05,465	..	1,05,465
Charges in England	2,51,11,114	13,94,461	2,65,05,575
Loss or gain by exchange	20,030	2,404	22,434
Deduct—Actual amount of pensions recovered from other Governments	—1,74,90,301	—43,342	—1,75,33,643
Deduct—Pensionary charges of the Ecclesiastical Department recovered from War and Railway Departments	—2,49,818	..	—2,49,818
Deduct—Pensionary charges transferred to Commercial Departments	—7,730	—74,896	—82,626
Total ..	1,41,76,263	1,19,70,627	2,61,46,890
6.—Stationery and Printing—			
I.—STATIONERY—			
Stationery offices and stores	48,762	40,75,606	41,24,368
Purchase of stationery stores .. ..	..	4,51,69,952	4,51,69,952
Stationery supplied by other Governments ..	..	5,405	5,405
Discount on plain paper used with stamps ..	253	260	513
Deduct—Value of stationery supplied to other Governments and paying Departments ..	..	—1,63,94,995	—1,63,94,995

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted.	Voted.	Total.
	(2) Rs.	(3) Rs.	(4) Rs.
J.—Miscellaneous—<i>concl'd.</i>			
56.—Stationery and Printing—<i>concl'd.</i>			
II.—PRINTING—			
Government presses	30,105	32,28,934	32,59,039
Printing at private presses .. .. .	..	7,08,361	7,08,361
Cost of printing work done by other Governments .. .. .	..	1,68,671	1,68,671
<i>Deduct</i> —Cost of printing work done for other Governments and paying Departments .. .. .	..	—1,55,84,169	—1,55,84,169
Charges in England	2,880	4,81,372	4,84,252
Loss or gain by exchange	5	837	842
Total ..	82,005	2,18,60,234	2,19,42,239
57.—Miscellaneous—			
Cost of books and periodicals .. .. .	..	70,688	70,688
Donations for charitable purposes	1,200	24,704	25,904
Special Commissions of Enquiry	7,952	56,944	64,896
Pilgrimage beyond India .. .. .	..	52,755	52,755
Petty establishments .. .. .	..	9,497	9,497
Irrecoverable temporary loans and advances written off	43,858	15,053	58,911
Expenditure on account of State Prisoners and Detenues .. .. .	..	1,580	1,580
Expenses incidental to the running of Food Supply Scheme .. .. .	..	94,277	94,277
Losses on supply of foodstuffs to Government servants and others at concessional prices .. .. .	..	19,12,407	19,12,407
Rents, rates and taxes .. .. .	..	5,39,919	5,39,919
Contributions	1,500	4,22,940	4,24,440
Miscellaneous compensations	3,39,993	1,806	3,41,799
Miscellaneous Durbar charges	50,962	..	50,962
Payments arising out of the Military Lands Scheme, Bombay	2,641	11,521	14,162
Loss by exchange on local transactions	22,840	523	23,363
Miscellaneous and unforeseen charges	2,17,949	3,41,030	5,58,979
Soldiers' Boards .. .. .	..	1,167	1,167
Charges in England	1,373	1,80,574	1,81,947
Loss or gain by exchange	2	314	316
Total ..	6,90,270	37,37,699	44,27,969
JJ.—Miscellaneous—Capital Account within the Revenue Account—			
55-A.—Commutation of Pensions, financed from Ordinary Revenues—			
Amount transferred from “ 83.—Payments of Commuted value of Pensions ”	19,398	—2,18,485	—1,99,087
K.—Defence Services—			
58.—Defence Services—Effective—			
I.—Charges in India—			
Normal cost of Defence Services	36,76,63,000	..	36,76,63,000
Lump provision for increase in prices	14,44,31,000	..	14,44,31,000
War measures chargeable to Indian Revenues	3,07,95,73,494	..	3,07,95,73,494
II.—Charges in England—			
War measures chargeable to Indian Revenues	3,63,908	..	3,63,908
Total ..	3,59,20,31,402	..	3,59,20,31,402

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*concl.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted.	Voted.	Total.
	(2) Rs.	(3) Rs.	(4) Rs.
K.—Defence Services—<i>concl.</i>			
59.—Defence Services—Non-Effective—			
I.—Charges in India—			
1. Army	4,00,22,769	..	4,00,22,769
2. Air Forces	—16,744	..	—16,744
3. Royal Indian Navy	2,16,910	..	2,16,910
II.—Charges in England—			
1. Army	4,71,90,576	..	4,71,90,576
2. Air Forces	10,728	..	10,728
3. Royal Indian Navy	6,25,932	..	6,25,932
Total	8,80,50,171	..	8,80,50,171
L.—Contributions and Miscellaneous Adjustments between Central and Provincial Governments—			
61.—Grants-in-aid to Provincial Governments—			
Grants-in-aid to the Government of Bengal .. .. .	..	3,00,00,000	3,00,00,000
Grants-in-aid to the Government of Assam	30,00,000	..	30,00,000
Grants-in-aid to the Government of North-West Frontier Province	1,00,00,000	..	1,00,00,000
Grants-in-aid to the Government of Orissa	40,00,000	..	40,00,000
Grants-in-aid to the Government of Sind	1,05,00,000	..	1,05,00,000
Total	2,75,00,000	3,00,00,000	5,75,00,000
62.—Miscellaneous Adjustments between Central and Provincial Governments—			
Contributions to the Provincial Governments on account of Agency functions in respect of Petroleum and Explosives Acts—			
Madras .. .. .	..	12,063	12,063
Bombay .. .. .	..	10,034	10,034
Bengal .. .. .	..	16,728	16,728
United Provinces .. .. .	..	10,607	10,607
Punjab .. .. .	..	6,427	6,427
Bihar .. .. .	..	10,387	10,387
Central Provinces and Berar .. .. .	..	2,382	2,382
Assam .. .. .	..	1,162	1,162
North-West Frontier Province .. .. .	..	21,137	21,137
Orissa .. .. .	..	921	921
Sind .. .. .	..	927	927
Total .. .. .	..	92,775	92,775
M.—Extraordinary Items—			
63.—Extraordinary Charges—			
Payments to Sind on account of the re-allocation of surplus receipts of capital value realised	30,256	..	30,256
Charges in England—High Commissioner—	..	400	400
Payments to retrenched personnel .. .. .	..	1	1
Loss or gain by exchange .. .. .	..	..	..
Total	30,256	401	30,657
64.—Expenditure connected with the War, 1939—			
Department of Supply	2,94,21,353	..	2,94,21,353
Controller of Enemy Firms and Enemy Trading and Custodian of Enemy Property	2,57,585	..	2,57,585
Tea Controller for India	6,478	..	6,478
Press Officers	91,64,966	..	91,64,966

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted.	Voted.	Total.
	(2) Rs.	(3) Rs.	(4) Rs.
Extraordinary Items—<i>contd.</i>			
64.—Expenditure connected with the War, 1939—<i>contd.</i>			
Expenditure in connection with Interned Enemy Subjects	64,13,503	..	64,13,503
Payments to War Risks (Goods) Insurance Fund	7,27,76,608	..	7,27,76,608
War Risks (Goods) Insurance Scheme	1,40,692	..	1,40,692
Remuneration and expenses of agents employed for purposes of War Risks (Goods) Insurance Scheme	9,07,917	..	9,07,917
Payment of Liabilities under the War Risks (Goods) Insurance Scheme	35,808	..	38,808
<i>Deduct</i> —Amount met from the War Risks (Goods) Insurance Fund	—10,87,417	..	—10,87,417
Payments to Provinces for War expenditure incurred by them	5,22,038	..	5,22,038
Pensions, etc., paid to the widows and dependents of Lascars employed in ships registered in the United Kingdom	6,33,843	..	6,33,843
Pensions paid to the widows and dependents of Lascars employed in ships registered outside the United Kingdom	16,313	..	16,313
Scheme for the training of Skilled Artisans	1,41,98,987	..	1,41,98,987
Textile Commissioner	23,73,615	..	23,73,615
Miscellaneous	10,76,578	..	10,76,578
Expenditure connected with National Service			
Labour Tribunals	9,35,789	..	9,35,789
Lease/Lend Accounts Officers	3,32,322	..	3,32,322
Motor Spirit and Tyre Rationing Scheme	9,17,659	..	9,17,659
Expenditure in connection with the Purchase of			
Sugar	3,868	..	3,868
Controller of New print	36,369	..	36,369
Persian Gulf War Trade Bureau	2,910	..	2,910
Steel Control Adviser	72,700	..	72,700
Losses due to Enemy action	7,68,001	..	7,68,001
Grants to Provinces and Indian States in furtherance of the Food Production Campaign	24,28,860	..	24,28,860
Payments to the War Risks (Factories) Insurance Fund	6,75,86,777	..	6,75,86,777
War Risks (Factories) Insurance Scheme	1,40,325	..	1,40,325
Remuneration and expenses of agents employed for purposes of War Risks (Factories) Insurance Scheme	6,22,242	..	6,22,241
<i>Deduct</i> —Amount met from the War Risks (Factories) Insurance Fund	—8,72,166	..	—8,72,166
Payments of liabilities under the War Risks (Factories) Insurance Scheme	1,09,600	..	1,09,600
Railway priorities and coal distribution	6,98,223	..	6,98,223
Scheme for Civil Pioneer Force	76,23,879	..	76,23,879
Compensation to officers and crews of ships registered in India under the Merchant Shipping Act, 1894	53,427	..	53,427
War Resources Committee	1,11,522	..	1,11,522
Expenditure on denial measures	16,49,633	..	16,49,633
Paper Commissioner for India	37,341	..	37,341
Compensation to Government servants for personal effects lost in enemy occupied territory	28,281	..	28,281
Representative of India in the War Cabinet	87,381	..	87,381
Expenditure on removal of plant and other stores from threatened areas	1,60,363	..	1,60,363
Transport organisation	2,89,562	..	2,89,562
Expenditure on evacuees from War zones and dependents of persons detained there	2,93,25,456	..	2,93,25,456

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*concl'd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
M.—Extraordinary Items—<i>concl'd.</i>			
64.—Expenditure connected with the War, 1939—<i>concl'd.</i>			
Charges in England—			
<i>Secretary of State—</i>			
Allotment of pay of officers	35,003	..	35,003
Other charges	63,086	..	63,086
Indian Purchasing Mission in the United States of America	27,81,347	..	27,81,347
<i>High Commissioner—</i>			
Scheme for Training of Skilled Artisans	62,104	..	62,104
Leave salaries and deputation pay	39,597	..	39,597
Allotment of pay of officers	1,13,601	..	1,13,601
Sterling overseas pay	2,04,632	..	2,04,632
Losses due to Enemy action	2,63,467	..	2,63,467
Other charges	9,56,130	..	9,56,130
Appointment to Indian Services	71,984	..	71,984
Indian Purchasing Mission in the United States of America	10,621	..	10,621
Loss or gain by exchange	8,255	..	8,255
Total	25,46,27,017	..	25,46,27,017
64-B.—Civil Defence—			
Expenditure on Air Raid Precautions	86,207	4,86,89,695	4,87,66,902
Expenditure on Civic Guards .. ..	..	23,21,503	23,21,503
Expenditure connected with War Injuries .. ..	..	1,53,409	1,53,409
War Injuries Compensation Insurance Scheme	7,165	..	7,165
Payments to War Injuries Compensation Insurance Fund	5,30,836	..	5,30,836
<i>Deduct—</i> Amount met from War Injuries Compensation Insurance Scheme	<i>—7,165</i>	<i>..</i>	<i>—7,165</i>
Charges in England—			
<i>Secretary of State—</i>			
Other charges .. ..	..	2,502	2,502
<i>High Commissioner—</i>			
Allotment of pay of officers	35,688	47,539	83,227
Leave salary and deputation pay	12,422	1,550	13,972
Sterling overseas pay	2,166	..	2,166
Appointment to Indian Services	4,765	15,815	19,980
Other charges	6,995	7,332	14,327
Stores for India .. ..	..	3	3
Loss or gain by exchange	106	130	236
Total	6,78,85	5,12,22,81	5,19,12,066
Capital Accounts outside the Revenue Account—			
BB.—Railway Capital Account outside the Revenue Account—			
67-A.—Construction of State Railways—Commercial—			
I. Preliminary Expenses .. ..	..	39,442	39,442
II. Land .. ..	..	—5,56,705	—5,56,705
III. Structural Engineering Works .. ..	..	1,88,26,792	1,88,26,792
IV. Equipment .. ..	..	16,44,125	16,44,125
V.—Rolling Stock .. ..	..	—18,29,410	—18,29,410
VI. General Charges	70,889	5,38,090	6,08,979
VII. Collieries .. ..	..	—5,21,539	—5,21,539
VIII. Miscellaneous .. ..	..	—116	—116
IX. Suspense	1,250	6,00,16,091	6,00,17,341
X. Purchase of Railway Line .. ..	..	1,56,89,920	1,56,89,920
<i>Deduct—</i> Receipts on Capital Account	<i>..</i>	<i>—33,720</i>	<i>—33,720</i>
Total	72,139	9,38,12,970	9,38,85,109

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted.	Voted.	Total.
	(2) Rs.	(3) Rs.	(4) Rs.
B.B.—Railway Capital Account outside the Revenue Account—<i>concl.</i>			
67-B.—Construction of State Railways—Strategic—			
I. Preliminary Expenses .. .. .	..	—19,222	—19,222
II. Land .. .. .	..	—35,697	—35,697
III. Structural Engineering Works .. .. .	..	—95,28,539	—95,28,539
IV. Equipment .. .. .	..	—3,05,797	—3,05,797
V. Rolling Stock .. .. .	..	1,35,964	1,35,964
VI. General Charges .. .. .	..	—3,00,954	—9,00,954
IX. Suspense .. .. .	..	2,00,127	2,00,127
Deduct—Receipts on Capital Account .. .. .	..	+1,21,931	+1,21,931
Total .. .. .	..	—1,03,32,187	—1,03,32,187
67-C.—Capital Contributed by Railway Companies towards outlay on State Railways—			
Discharge of Debentures	35,11,298	..	35,11,298
CC.—Capital Account of Irrigation, Navigation, Embankment and Drainage Works outside the Revenue Account—			
68.—Construction of Irrigation, Navigation, Embankment and Drainage Works—			
A.—IRRIGATION WORKS—			
(1) Productive—			
Works	10,453	..	10,453
Establishment	1,677	..	1,677
Tools and Plant	38	..	38
Deduct—Receipts and Recoveries on Capital Account	—1,545	..	—1,545
(2) Unproductive—			
Works	9,829	..	9,829
Establishment	4,199	..	4,199
Deduct—Amount financed from Ordinary Revenues	—24,651	..	—24,651
Total .. .. .	..	..	..
DD.—Posts and Telegraphs Capital Account outside the Revenue Account—			
69.—Capital Outlay on Posts and Telegraphs—			
A.—Capital outlay on New Assets .. .. .	..	3,88,42,514	3,88,42,514
Deduct—Portion of Capital Outlay financed from Ordinary Revenues .. .. .	..	+1,41,759	+1,41,759
Total .. .. .	..	3,89,84,273	3,89,84,273
G.G.—Currency and Mint—Capital Account outside the Revenue Account—			
77.—Currency Capital Account outside the Revenue Account—			
Buildings .. .. .	..	45,146	45,146
Plant and machinery .. .. .	..	1,89,219	1,89,219
Minor equipment .. .. .	..	—355	—355
Miscellaneous .. .. .	..	2,522	2,522
Deduct—Depreciation .. .. .	..	—91,574	—91,574
Gross .. .. .	..	1,44,953	1,44,953
Deduct—Expenditure financed from Ordinary Revenues .. .. .	..	—1,44,953	—1,44,953
Net .. .. .	..	..	..
HH.—Capital Account of Civil Works and Miscellaneous Public Improvements outside the Revenue Account—			
73.—Initial Expenditure on New Capital at Delhi—			
Works .. .. .	..	14,61,089	14,61,089
Establishment .. .. .	..	65,692	65,692
Tools and Plant .. .. .	..	16,901	16,901
Deduct—Receipts on Capital Account—			
Receipts from the War Department—	..	—15,70,944	—15,70,944
Total .. .. .	..	—27,262	—27,262

FINANCE ACCOUNTS, CENTRAL GOVERNMENT.

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS.—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted. (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
JJ.—Miscellaneous Capital Account outside the Revenue Account—			
83.—Payments of Commuted value of Pensions—			
(a) Payments in India	28,27,468	19,61,837	47,89,305
(b) Payments in England—			
Par value	3,09,664	12,220	3,21,884
Loss or gain by exchange	470	21	491
Deduct—			
(1) Amount financed from Ordinary Revenues ..	—19,398	+2,18,485	+1,99,087
(2) Amount recovered from other Governments and Departments, etc.	—27,97,950	—6,54,732	—34,52,682
(3) Capital portion of equated payments out of Revenue	—21,61,735	—37,04,964	—58,66,699
Total	—18,41,481	—21,67,133	—40,08,614
KK.—Defence Services—			
86.—Defence Capital Expenditure—			
Air Force—Air Fields	14,67,00,000	..	14,67,00,000
Capital outlay on Industrial Expansion	3,31,58,583	..	3,31,58,583
Reciprocal Aid—Air Fields	15,34,09,000	..	15,34,09,000
New Construction for Royal Indian Navy	52,16,000	..	52,16,000
Capital outlay on Tele-Communication Scheme	3,60,96,848	..	3,60,96,848
Total	37,45,80,431	..	37,45,80,431
MM.—Extraordinary Items—			
87.—Capital Outlay on Schemes connected with the War, 1939—			
Scheme for the purchase of food grains—			
Purchases of the Food Department	84,85,71,559 (a)	..	84,85,71,559
Deduct—Receipts and recoveries on Capital Account	—79,81,46,559	..	—79,81,46,559
Net Expenditure	5,04,25,000	..	5,04,25,000
Scheme for reserve stock of coal—			
Reserve stock of coal in Jharia and Raniganj	10,84,686	..	10,84,686
Deduct—Receipts and recoveries on Capital Account	—11,93,797	..	—11,93,797
Net Expenditure	—1,09,111	..	—1,09,111
Scheme for the production and supply of coal	35,329	..	35,329
Scheme for the purchase and construction of lighters—			
Construction of lighters	27,50,022	..	27,50,022
Deduct—Share of the cost debited to His Majesty's Government	—14,58,240	..	—14,58,240
Net Expenditure	12,91,782	..	12,91,782
(a) Includes Rs. 9,14,74,694 on account of Charges in England and Rs. 1,59,080 on account of Loss or gain by exchange.			

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*contd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted. (2) Rs.	Voted. (3) Rs.	Total. (4) Rs.
MM.—Extraordinary Items—<i>contd.</i>			
87.—Capital Outlay on Schemes connected with the War, 1939—<i>contd.</i>			
Acquisition of frustrated cargoes	2,06,54,675	..	2,06,54,675
Deduct—Receipts and recoveries on Capital Account	—93,50,097	..	—93,50,097
Net Expenditure ..	1,13,04,578	..	1,13,04,578
Purchase of rubber	2,84,87,980	..	2,84,87,980
Deduct—Receipts and recoveries on Capital Account	—1,57,09,611	..	—1,57,09,611
Net Expenditure ..	1,27,78,369	..	1,27,78,369
Purchase of machinery for mica miners ..	7,33,899 (b)	..	7,33,899
Deduct—Receipts and recoveries on Capital Account ..	—7,05,175	..	—7,05,175
Net Expenditure ..	28,724	..	28,724
Purchase of reserve stores by Supply Department	5,23,96,262 (c)	..	5,23,96,262
Deduct—Receipts and recoveries on Capital Account ..	—4,16,03,456	..	—4,16,03,456
Net Expenditure ..	1,07,92,806	..	1,07,92,806
Prospecting for oil	25,91,086	..	25,91,086
Purchase of machine tools	38,28,929 (d)	..	38,28,929
Deduct—Receipts and recoveries on Capital Account ..	—43,89,385	..	—43,89,385
Net Expenditure ..	—5,60,456	..	—5,60,456
Purchase of foodstuffs by Local Administrations ..	53,12,242	..	53,12,242
Cinchona cultivation by Russian method ..	9,38,903	..	9,38,903
Scheme for chartering and running of steamers for coastal trade	—10,75,795	..	—10,75,795
Scheme for purchase of standard cloth—			
Gross Expenditure ..	27,10,18,950	..	27,10,18,950
Deduct—Receipts and recoveries on Capital Account	—23,96,89,685	..	—23,96,89,685
Net Expenditure ..	3,13,29,265	..	3,13,29,265
Purchase of woollen goods	1,67,151	..	1,67,151
Deduct—Receipts and recoveries on Capital Account ..	—11,634	..	—11,634
Net Expenditure ..	1,55,517	..	1,55,517
Scheme for purchase of Wattle Bark—			
Purchase of Wattle Bark	20,98,458	..	20,98,458
Deduct—Receipts and recoveries on Capital Account ..	—3,94,396	..	—3,94,396
Net Expenditure ..	17,04,062	..	17,04,062

(b) Includes Rs. 1,13,826 on account of Charges in England, and Rs. 241 on account of Loss or gain by exchange.

(c) Includes Rs. 3,57,495 on account of Charges in England, and Rs. 21,630 on account of Loss or gain by exchange.

(d) Includes Rs. 31,50,658 on account of Charges in England, and Rs. 5,323 on account of Loss or gain by exchange.

No. 5.—DETAILED ACCOUNT OF EXPENDITURE BY MINOR HEADS—*concl'd.*

Heads. (1)	Actuals for 1943-44.		
	Non-voted.	Voted.	Total
	(2) Rs.	(3) Rs.	(4) Rs.
<i>MM. —Extraordinary Item; —civil</i>			
87.—Capital Outlay on Schemes connected with the War, 1939— <i>concl'd.</i>			
Scheme for the supply of essential commodities—			
Cost of commodities	32,85,730	..	32,85,730
Advances	23,50,862	..	23,50,862
Suspense	—8,59,361	..	—8,59,361
Deduct—Other receipts and recoveries	—19,24,647	..	—19,24,647
Deduct—Amount met from Revenue	—14,36,333	..	—14,36,333
Net Expenditure	14,16,251	..	14,16,251
Scheme for the purchase of aluminium—other charges	42,806	..	42,806
Scheme for the purchase of Electrical Generating Plant—			
Purchasing of Generating Plant	14,98,474 (e)	..	14,98,474
Medical Stores Depot and Factories—			
Stores Depot	1,84,89,134	..	1,84,89,134
Factories	1,27,916	..	1,27,916
Total Expenditure	1,86,17,050	..	1,86,17,050
Civil Transport	—40,180	..	—40,180
Total—Capital Outlay on Schemes connected with the War, 1939	14,84,76,702	..	14,84,76,702

(e) Includes Rs. 14,50,239 on account of Charges in England, and Rs. 2,522 on account of Loss or gain by exchange.

No. 6.—STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR.

Heads.	Expenditure during 1913-44. Rs.	Expenditure to end of 1913-44. Rs.
66.—Capital Outlay on the Security Printing Press—		
Land .. .. .	..	11,994
Buildings	25,893	30,29,052
Plant and Machinery	14,973	10,06,075
Minor Equipment	3,536	72,721
Miscellaneous	1,859	60,373
Deduct—Depreciation	—63,618	—16,73,411
Charges in England—		
Stores for India .. .. .	..	14,617
Loss or gain by exchange .. .. .	..	26
Total	—17,307	25,21,447
Deduct—Expenditure financed from Ordinary Revenues	+17,307	—18,28,750
Net Capital Outlay of the Security Printing Press .. .. .	..	6,92,697

67-A.—Construction of State Railways—**COMMERCIAL—**

State Railways worked by the State—

East Indian	1,72,70,973 (a)	1,51,33,07,949
Bengal and Assam	1,92,05,137 (b)	80,84,51,973
Bombay, Baroda and Central India	—8,82,526 (c)	75,02,74,699
Great Indian Peninsula	1,00,67,200 (d)	1,13,86,34,874
North Western	1,18,69,469 (e)	1,14,28,50,005
Railway Collieries	5,99,570	1,69,77,218
Oudh and Tirhut (B. & N. W.)	1,60,64,907 (f)	29,25,95,498
Oudh and Tirhut (R. & K.) .. .. .	..	..
Total	7,41,94,730	5,66,30,92,216

(a) Includes Rs. 1,12,771 transferred from Bengal and Assam Railway.

(b) Includes Rs. 3,00,496, the reduced capital at charge merged in the Bengal and Assam Railway as the working of the Jorhat Railway has been taken over by that Railway and Rs. 74,768 transferred from the Great Indian Peninsula Railway and excludes Rs. 1,12,771 transferred to the East Indian Railway.

(c) Excludes Rs. 92,870 transferred to the North Western Railway (Commercial Rs. 77,129 and Strategic Rs. 15,741).

(d) Excludes Rs. 74,768 and Rs. 26,423 (Commercial Rs. 23,863 and Strategic Rs. 2,560), transferred to Bengal and Assam, and North Western Railways respectively and includes Rs. 45,071 (Commercial Rs. 40,541 and Strategic Rs. 4,530) transferred from North Western Railway. The difference of Re. 1 is due to rounding.

(e) Includes Rs. 77,129, and Rs. 23,863 transferred from Bombay, Baroda, Central India and Great Indian Peninsula Railways and excludes Rs. 40,541 transferred to the Great Indian Peninsula Railway.

(f) The difference of Re. 1 is due to rounding.

No. 6.—STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR—*concl'd.*

Heads.						Expenditure during 1943-44. Rs.	Expenditure to end of 1943-44. Rs.
67-A.—Construction of State Railways—<i>concl'd.</i>							
COMMERCIAL—<i>concl'd.</i>							
State Railways worked by Companies and Indian States—						99,51,932 (g)	80,01,50,487
Bengal Nagpur	..	..	..	..	..	3,837 (h)	18,14,294
Bezwar Extension	..	..	..	..	..	37,386	1,45,41,502
Jodhpur	..	..	..	..	..	60,62,261	53,86,32,230
Madras and Southern Mahratta	..	..	..	..	..	30,34,082 (i)	45,81,16,611
South Indian	..	..	..	..	..	187	27,97,972
Dhone Kurnool	..	..	..	..	..	.. (j)	..
Jorhat	..	..	..	..	..	..	..
Total						1,96,89,685	1,81,60,53,096
Miscellaneous—						694	16,39,701
Exchange	..	..	..	..	..	..	..
Total—Commercial						9,38,85,109	7,48,07,85,013
Deduct—Capital Contributed by Railway Companies towards Outlay on State Railways						+35,11,298 (k)	—13,73,89,801
Net Government Outlay						9,73,96,407 (l)	7,34,33,95,212
67-B.—Construction of State Railways—							
Strategic—						..	..
North Western	..	..	..	..	..	—1,03,32,187 (m)	32,65,49,079
68.—Construction of Irrigation, Navigation, Embankment and Drainage Works—							
A.—IRRIGATION WORKS—							
(1) Productive—						10,623	1,09,07,109
Nasirabad Section of the Floyd Barrage Canals systems	..	..	..	..	..	—10,623	—1,10,056
Deduct—Outlay financed from Ordinary Revenues						..	1,07,97,053
Net expenditure outside the Revenue Account						..	..

(g) Rs. 1,26,914 being the difference in Exchange and discount on debentures discharged during the year has been dropped without financial adjustment.

(h) The difference of Re. 1 is due to rounding off.

(i) Rs. 3,09,253 representing difference in Exchange and discount on debentures discharged during the year has been dropped without financial adjustment.

(j) Rs. 12,78,863 dropped without financial adjustment and the reduced figure of Rs. 3,00,496 arrived at on the basis of the value inventory, Rs. 1939 transferred to the Bengal and Assam Railway which has taken over the working of the line.

(k) The reduction of Rs. 19,46,921 is due to exclusion of Rs. 9,78,367 (being the difference between Rs. 12,78,863 and Rs. 3,00,496) relating to Jorhat, Rs. 3,09,253 South Indian Railway and Rs. 1,26,914 Bengal Nagpur Railway, dropped without financial adjustment *vide* remarks given against (j) (i) and (g) above and Rs. 5,32,387 representing the unredeemed portion of the debentures of the South Indian Railway Company taken over as State Debt and treated as Government Outlay.

(l) The net increase of Rs. 5,18,615 as a whole is composed of Rs. 5,32,387 taken over as a State Debt on account of unreduced portion of the debentures of the South Indian Railway Company and Rs. 13,772 transferred from Strategic lines to Commercial lines.

(m) The increase of Rs. 13,772 includes Rs. 15,741 and Rs. 2,560 transferred from the Bombay, Baroda and Central India and the Great Indian Peninsula Railways and excludes Rs. 4,530 transferred to Great Indian Peninsula Railway. [See (d) above]. The difference of Re. 1 is due to rounding off.

No. 6.—STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR—*concl'd.*

Heads.						Expenditure during 1943-44. Rs.	Expenditure to end of 1943-44. Rs.
68.—Construction of Irrigation, Navigation, Embankment and Drainage Works—<i>concl'd.</i>							
A.—IRRIGATION WORKS—<i>concl'd.</i>							
(2) Unproductive—							
Baluchistan—							
Pishin Canal ..	..	..	..	..	..	7,387	29,13,557
Nari Weir Canal ..	..	..	..	..	..	6,641	6,61,655
Rajputana—							
Tank Projects ..	..	..	..	..	..	..	28,41,029
Total ..						14,028	64,19,241
<i>Deduct</i> —Amount financed from Ordinary Revenue ..						—14,028	—64,19,241
Net expenditure outside the Revenue Account ..						..	..
Total—Construction of Irrigation, Navigation, etc. ..						..	1,07,97,053
69.—Capital outlay on Posts and Telegraphs—							
Post Office ..	..	..	..	..	..	2,16,559	1,48,37,810
Telegraphs ..	..	..	..	..	..	2,32,55,335	16,38,67,181
Telephones ..	..	..	..	..	..	1,56,96,930	9,48,01,225
Radio ..	..	..	..	..	..	—1,84,551	37,73,419
Total ..						3,89,84,273	27,72,79,635 (a)

(a) The capital expenditure upto 1942-43 has been increased by an amount of Rs. 26,243 removed from the Block Capital account without any financial adjustment on account of the following :—

Add—

Rs.

(i) Net result of misclassifications of previous years affecting Capital and Revenue Accounts .. 3,787

(ii) Inter-branch transfer of buildings. Buildings originally debited to Postal Branch, Capital cost of which is met from Revenue now transferred to Capital Account outside the Revenue Account .. 22,456

Total .. 26,243

No. 6.—STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR—*contd.*

Heads.						Expenditure during 1943-44. — Rs.	Expenditure to end of 1943-44. Rs.
71.—Capital Outlay on Schemes of Agricultural Improvement and Research—							
Transfer of Imperial Institute of Agricultural Research from Pusa to Delhi .. .. .						..	32,78,019
73.—Capital Outlay on Vizagapatam Port—							
Land .. .. .	..	..	..	..	..	..	1,20,96,377
Waterways .. .. .	..	..	..	..	..	..	1,38,97,964
Docks and berths .. .. .	..	..	..	..	..	..	32,65,054
Broad Gauge Railways .. .. .	..	..	..	..	..	..	11,75,501
Ferries .. .. .	..	..	..	..	..	..	2,18,440
Manganese facilities .. .. .	..	..	..	..	..	..	5,44,989
Plant .. .. .	..	..	..	..	..	..	13,56,913
Floating craft .. .. .	..	..	..	..	..	..	33,58,101
Buildings .. .. .	..	..	..	..	..	..	20,02,521
Suspense .. .. .	..	..	..	..	..	..	3,06,179
Total .. .. .						..	3,82,22,039
77.—Currency Capital Account—							
Payments to the Reserve Bank of India under Section 46 of the Reserve Bank of India Act .. .. .						..	5,18,99,269
Currency Note Printing Press .. .. .						..	16,47,305
Total .. .. .						..	5,35,46,574
78.—Initial Expenditure on New Capital at Delhi—							
Works .. .. .	..	..	..	..	..	18,72,984	14,81,71,068
Deduct—Receipts from the War Department .. .. .	..	..	..	..	..	—4,11,895	—4,11,895
Establishments .. .. .	..	..	..	..	..	65,692	2,32,75,025
Tools and Plant .. .. .	..	..	..	..	..	16,901	98,73,234
Stock and Suspense .. .. .	..	..	..	..	..	..	12,24,195
Miscellaneous .. .. .	..	..	..	..	..	..	71,48,119
Total						15,43,682	18,92,79,746
<i>Deduct—Receipts and Recoveries on Capital Account—</i>							
Receipts from the War Department						—15,70,914	—28,70,880
Other receipts .. .. .						..	—2,00,49,522
Total						—15,70,914	—2,29,20,402
Net						—27,262	16,63,59,344
83.—Payments of Commuted value of Pensions							
.. .. .						—40,08,614	4,10,50,172
84.—Capital Outlay on Bombay Land Scheme							
.. .. .						..	2,31,11,835
86.—Defence Capital Expenditure—							
Air Forces—Air Fields						14,67,00,000	38,01,17,000
Capital Outlay on Industrial Expansion						3,31,58,583	9,01,93,583
Reciprocal Aid—Air Fields						15,34,09,000	23,89,88,000
New Construction for the Royal Indian Navy						52,16,000	3,90,49,000
Capital Outlay on Tele-Communication Scheme						3,60,96,848	3,68,80,848
India's Share of the Capital Outlay involved in carrying out the Chatfield Modernisation Plan .. .. .						..	11,44,33,000
Total						37,45,80,431	89,96,61,431

No. 6.—STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR—*contd.*

Heads.	Expenditure during 1943-1944. Rs.	Expenditure to end of 1943-1944 Rs.
87.—Capital Outlay on Schemes connected with the War, 1939—		
Scheme for the purchase of food grains—		
Purchases of the Food Department	84,85,71,559	88,73,20,672
<i>Deduct</i> —Receipts and recoveries on Capital Account ..	—79,81,46,559	—83,66,44,675
Net Expenditure ..	5,04,25,000	5,06,75,997
Scheme for reserve stock of coal—		
Reserve stock of coal in Jharia and Raniganj ..	10,84,636	19,81,645
<i>Deduct</i> —Receipts and recoveries on Capital Account ..	—11,93,797	—12,53,641
Net Expenditure ..	—1,09,111	7,28,004
Scheme for the production and supply of coal ..	35,329	35,329
Scheme for the purchase and construction of lighters		
Construction of lighters	27,50,022	32,43,965
Purchase of lighters .. .. .	..	3,47,880
<i>Deduct</i> —Share of the cost debited to His Majesty's Government	—14,58,240	—18,79,152
Net Expenditure ..	12,91,782	17,12,693
Acquisition of frustrated cargoes	2,06,54,675	2,08,77,830
<i>Deduct</i> —Receipts and recoveries on Capital Account ..	—93,50,097	—94,58,685
Net Expenditure ..	1,13,04,578	1,14,19,145
Purchase of rubber	2,84,87,980	3,67,54,264
<i>Deduct</i> —Receipts and recoveries on Capital Account ..	—1,57,09,611	—2,22,27,757
Net Expenditure ..	1,27,78,369	1,45,26,507
Purchase of machinery for mica miners	7,33,899	11,74,598
<i>Deduct</i> —Receipts and recoveries on Capital Account ..	—7,05,175	—7,51,298
Net Expenditure ..	28,724	4,23,300
Purchase of reserve stores by Supply Department ..	5,23,96,262	6,45,80,240
<i>Deduct</i> —Receipts and recoveries on Capital Account ..	—4,16,03,456	—4,48,75,417
Net Expenditure ..	1,07,92,806	1,97,04,823
Prospecting for oil	25,91,086	25,93,590
Purchase of machine tools	38,28,929	38,82,591
<i>Deduct</i> —Receipts and recoveries on Capital Account ..	—43,89,385	—43,89,385
Net Expenditure ..	—5,60,456	—5,06,794

No. 6.—STATEMENT OF CAPITAL EXPENDITURE OUTSIDE THE REVENUE ACCOUNT DURING AND TO END OF THE YEAR—*con ld.*

	Expenditure during 1943-1944. Rs.	Expenditure to end of 1943-1944. Rs.
87.—Capital Outlay on Schemes connected with the War, 1939— <i>concl.</i>		
Purchase of foodstuffs by Local Administrations ..	53,12,242	55,12,242
Cinchona cultivation by Russian method ..	9,38,903	9,38,903
Scheme for chartering and running of steamers for coastal trade ..	—10,75,795	—10,75,795
Scheme for purchase of standard cloth—		
Gross Expenditure ..	27,10,18,950	27,10,18,950
Deduct—Receipts and recoveries on Capital Account ..	—23,96,89,685	—23,96,89,685
Net Expenditure ..	3,13,29,265	3,13,29,265
Purchase of woollen goods ..	1,67,151	1,67,151
Deduct—Receipts and recoveries on Capital Account ..	—11,634	—11,634
Net Expenditure ..	1,55,517	1,55,517
Scheme for purchase of Wattle Bark—		
Purchase of Wattle Bark ..	20,98,458	20,98,458
Deduct—Receipts and recoveries on Capital Account ..	—3,94,396	—3,94,396
Net Expenditure ..	17,04,062	17,04,062
Scheme for supply of essential commodities—		
Cost of commodities ..	32,85,730	32,85,730
Advances ..	23,50,862	23,50,862
Suspense ..	—8,59,361	—8,59,361
Deduct—Other receipts and recoveries ..	—19,24,647	—19,24,647
Deduct—Amount met from Revenue ..	—14,26,333	—14,26,333
Net Expenditure ..	14,16,251	14,16,251
Scheme for purchase of aluminium—		
Other charges ..	42,806	42,806
Scheme for the purchase of Electrical Generating Plant—		
Purchase of Generating Plant ..	14,98,474	14,98,474
Medical Store Depot and Factories—		
Stores Depot ..	1,84,89,134	1,84,89,134
Factories ..	1,27,916	1,27,916
Total Expenditure ..	1,86,17,050	1,86,17,050
Civil Transport ..	—40,180	—40,180
Total—Capital Outlay on Schemes connected with the War 1939 ..	14,84,76,702	16,14,11,189
GRAND TOTAL ..	64,50,69,750 (a)	9,34,53,54,279

(a) The net increase of Rs. 5,58,630 in the progressive capital expenditure to end of 1943-44, made without financial adjustment, is due to the increase of Rs. 5,32,387 in Capital Outlay under Railways (*vide* footnotes (l) and (m) below "67-A" and "67-B") and Rs. 26,243 under Posts and Telegraphs (*vide* footnote (a) below "69").

B.—DEBT, DEPOSITS AND REMITTANCE ACCOUNTS.

B.—DEBT, DEPOSITS AND REMITTANCE ACCOUNTS.**I.—REPORT.****INTRODUCTORY.**

1. Disbursements under Debt, Deposits and Remittance Heads, although involving temporary appropriations of Government funds, are not ordinarily regarded as expenditure within the meaning of Section 67-A (5) of the Government of India Act, as set out in the 9th Schedule of the Government of India Act, 1935, and except in a few specified cases, are not required to be submitted to the Legislature in the form of Demands for Grants. It is, however, essential to maintain a complete and progressive record of the debt, deposits, advances, suspense and remittance transactions, as they cannot be ignored when considering the financial position of Government. The management of various receipts and disbursements under these heads constitutes a vital part of the machinery of financial administration. This part of the report contains a record of these transactions and its object is, in the first place, to give a complete enumeration of balances under Debt, Deposits and Remittance Heads and, in the second place, to review the current state of the accounts under each head.

2. An elaborate account of the origin and nature of certain transactions was given in the Report for the year 1937-38. The explanatory matter in this report has, in most cases, been restricted to an explanation of the head of account itself.

3. Except where stated otherwise, the balances in this part of the report under each head have been duly verified and found to agree with those shown in the separate registers or other records maintained in the Accounts Offices for the purpose in accordance with the prescribed rules and have also been accepted as correct by responsible officers concerned where necessary ; the terms and conditions of loans, etc., have been fulfilled and repayments made regularly ; the debits and credits during the year to the various reserve funds and deposits accounts of grants, etc., were for amounts authorised by the relevant Acts or rules of the funds or accounts and there were no diversions for purposes other than those for which the funds were constituted or the grants were made.

4. The following is the general statement of balances in India and England, of the Central Government on the 31st March, 1944.

I.—BALANCES IN INDIA.

Debit Balances.	Section of the General Account.	Name of Account.	Page	Credit Balances.
(1) Rs.	(2)	(3)	(4)	(5)
	A to M, part of Section P and Sections S (II) and T.			
14,41,06,95,577		Government	88	..
..	N	Public Debt	91	11,22,28,76,436
	O	Unfunded Debt	96	2,20,41,30,725
	P	Deposits and Advances—		
		(i) Deposits bearing interest—		
83,38,397		Gross balance	107	1,58,48,34,077
		Investments	107	..
		(ii) Deposits not bearing interest—		
16,068		Gross balance	111	1,43,52,38,325
34,75,52,594		Investments	111	..
		(iii) Advances not bearing interest	139	..
55,27,47,596		(iv) Suspense—		
		Investments	155	..
12,369		Other items (not)	155	90,83,41,582
		(v) Miscellaneous	168	..
	Q	Loans and advances by the Central Government.		
98,70,50,362		(i) Advances to Provincial Governments	169	..
16,24,00,778		(ii) Other loans	169	..
6,26,48,995	S(I)	Remittances within India (net)	179	..
	S(II)	Remittances between England and India—		
		Items adjustable in India (net)	179	17,99,296
82,57,57,705	V	Cash Balance (Closing)	187	..
17,35,72,20,441		Total		17,35,72,20,441

II.—BALANCES IN ENGLAND.

Debit Balances.				Credit Balances.				
Total.	High Commissioner.	Secretary of State.	Section of the General Account.	Name of Account.	Page.	Secretary of State.	High Commissioner.	Total.
(1) £	(2) £	(3) £	(4)	(5)	(6)	(7) £	(8) £	(9) £
27,925,607		27,925,607	A to M and S (II)	Government	89	..	281,048	281,048
			N	Public Debt	91	51,210,195	..	51,210,195
			O	Unfunded Debt	96	2,742,226	..	2,742,226
			P	Deposits and Advances—				
				(i) Deposits not bearing interest—				
7,499,672	..	7,499,672		Gross balance	111	7,500,000	..	7,500,000
				Investments	111	..	..	..
8,306	5,884	2,422		(iii) Advances not bearing interest	139			
				(iv) Suspense—				
26,828,145	..	26,828,145		Investments	155			
4,184,607	54,020	4,130,587		Other items	155			
				(v) Miscellaneous	168	7,027	29,408	36,435
			S(II)	Remittances between England and India—				
				Items adjustable in England	179	5,489,573	..	5,489,573
1,407	1,407	..		Cash Balance (Closing)	187			
811,733	249,145	562,588						
67,259,477	310,456	66,949,021		Total		66,949,021	310,456	67,259,477

5. It may be mentioned here that the balances of accounts shown in these statements, are not, and cannot be, regarded as a complete record of the state of affairs of the Central Government, as it is not possible to take into account all the various assets of Government such as lands, buildings, communications, etc., for which no statistics are available and the value of which it is difficult to estimate. These statements therefore, show the balances of those accounts only, for which separate running accounts are kept within the Government books.

The above balances are reviewed in detail in the following paragraphs :—

**SECTIONS A TO M, PART OF SECTION P AND SECTIONS S (II) AND T—
GOVERNMENT ACCOUNT.**

India	Dr. Rs. 14,41,06,95,577
England	Secretary of State .. Dr. £ 27,925,607
	High Commissioner .. Cr. £ 281,048

6. *Government Account.*—This is the general closing head in the ledger. Under the system of book-keeping followed in the Indian Government Accounts all balances which are not carried forward from year to year are closed to this head. It is also used as an adjusting head for the purpose of counterbalancing entries which have been included elsewhere in the accounts. The balance under this head, therefore, represents the cumulative results of revenue, capital and other transactions in respect of which no separate progressive balanced accounts are kept. A general outline of the balance in India on the 31st March, 1944 is given in the following table :—

Dr.	INDIA.	Cr.
Rs.		Rs.
(a) 11,76,38,20,444	A.—Opening Balance	
	B.—Revenue Receipts for 1943-44	3,02,86,57,461
4,92,76,47,946	C.—Expenditure on Revenue Account for 1943-44	
64,50,69,750	D.—Capital Expenditure outside the Revenue Account for 1943-44	
	E.—Appropriation for Reduction or Avoidance of Debt—Other Appropriations for 1943-44	2,04,96,000
2,90,27,76,307	F.—Net Remittances between England and India for 1943-44	
	G.—Transfer of cash between England and India	2,77,94,81,797
16,388	H.—Miscellaneous	
	I.—Closing Balance	14,41,06,95,577
20,23,93,30,835	Grand Total :	20,23,93,30,835

7. Item A represents the balance brought forward from the last year. The figures against B., C., D., E., F. and G. agree with the corresponding figures in Accounts Nos. 2, 3, 4, 111 and 112 of the Combined Finance and Revenue Accounts for 1943-44.

The following are the details of the sum of Rs. 16,388 against “H.—Miscellaneous” :—

(1) Adjustment on account of the difference between the principal amount of the stock and the commuted value of interest on Amanati Stock Certificates ..	Cr.	Rs. 499
(2) Adjustment of the proportionate share of the Defence Department in respect of the half-yearly equated instalment paid by the Delhi Joint Water and Sewage Board on account of the Government loan to that body ..	Dr.	17,176
(3) Amount of net credit adjusted by the Accountant General, United Provinces under Remittance account between England and India in the accounts for 1943-44 but not passed on to the High Commissioner or the Secretary of State during that year	Cr.	283
(4) Fractional differences due to rounding	Cr.	6
Net Total	Dr.	16,388

(a) Increased by Rs. 415 as the amount was actually adjusted under “Remittance Account between England and India” during 1942-43 but passed on to the High Commissioner during the year 1943-44.

8. *Government Account.*—The Balances in England are composed of :—

Secretary of State	Dr. £	27,925,607
High Commissioner	Cr. £	281,048

The above balances are analysed below :—

ENGLAND.

Debits.			Credits.		
High Commissioner.	Secretary of State.	Particulars.	Secretary of State.	High Commissioner.	
(1)	(2)	(3)	(4)	(5)	
£	£		£	£	
..	37,237,816	A.—Opening Balance .. ..	..	136,008	
10,160,132	62,764,127	B.—Remittance Account between England and India	290,252,400	380,082	
..	218,136,135	C.—Transfer of Cash between England and India .. ..	..	9,925,000	
..	39,929	D.—Miscellaneous .. ..	..	..
281,048	..	E.—Closing Balance	27,925,607	..	
10,441,180	318,178,007	Grand Total	318,178,007	10,441,180	

The following are the details of the sum of £ 39,929 shown under “D.—Miscellaneous” :—

Adjustment on account of liability for South Indian Railway 4 per cent Debenture Stock assumed by Government during the year	Dr. £	39,929
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9. The statement given on the next page is intended to afford a general view of the Combined Balances, in India and England, of the Central Government in units of rupee currency, outstanding sterling debts and other balances in England being combined with the corresponding balances in India at the rate of £1=Rs. 13½ and the resultant total expressed in rupees. This method of presentation does not, however, purport to be the correct method of assessing the sterling balances at their real rupee value, but in the absence of any more accurate basis for determining the exact rupee equivalent of these balances, the sterling figures have been converted into rupees at the above rate.

BALANCES IN INDIA AND ENGLAND (COMBINED).

Debit Balances.	Section of the General Account.	Name of Account.	Credit Balances.
(1) Rs.	(2)	(3)	(4) Rs.
14,77,92,89,698	A to M. part of Section P & Sec- tions S (II) and T.	Government	11,90,56,79,037
	N.	Public Debt	2,24,06,93,733
	O.	Unfunded Debt	
	P.	Deposits and Advances—	
		(i) Deposits bearing interest—	
83,38,397		Gross balance	1,58,48,34,077
		Investments .. .. .	..
		(ii) Deposits not bearing interest—	
10,00,11,695		Gross balance	1,53,52,38,325
34,76,63,344		Investment .. .. .	..
		(iii) Advances not bearing interest	
		(iv) Suspense—	
91,04,56,191		Investments—	
..		Other Items (net)	85,25,46,823
..		(v) Miscellaneous (net)	4,73,432
1,14,94,51,140	Q.	Loans and Advances by the Central Government	..
..	S.	Remittances (not)	1,23,25,849
83,65,80,811	V.	Cash Balance (Closing) .. .. .	..
18,13,17,91,276		Grand Total	18,13,17,91,276

10. *Government Account.*—The debit balance is composed of the following items of debit and credit :—

Item No.	Particulars.	Debit.	Item No.	Particulars.	Credit.
(1)	(2)	(3) Rs.	(4)	(5)	(6) Rs.
1.	Net debit balance brought forward (a)	12,25,85,10,014	1.	Appropriation during 1943-44 for reduction or avoidance of debt otherwise than by means of regularly constituted Sinking Funds	2,01,96,090
2.	Excess of expenditure of Revenue Account over Ordinary Revenue for 1943-44	1,89,89,90,485	2.	Difference between credit in India and debit in England under the head "Transfer of cash between England and India" ..	33,33,334
3.	Capital expenditure outside the Revenue Account for 1943-44	64,50,69,750	3.	Adjustment on account of the difference between the principal amount of the stock and the commuted value of interest on Amanati Stock certificates ..	499
4.	Adjustment on account of the proportionate share of the Defence Department in respect of the half-yearly equated instalment paid by the Delhi Joint Water and Sewage Board on account of the Government loan to that body	17,176	4.	Aggregate amount credited under "Remittance Account between England and India" by the Accountant General, United Provinces during 1943-44, but not passed on to the High Commissioner or the Secretary of State during that year ..	338
5.	Amount debited under "Remittance Account between England and India" by the Accountant General, United Provinces in the accounts for 1943-44 but not passed on to the High Commissioner during that year	55	5.	Net debit balance	14,77,92,89,093
6.	Adjustment on account of liability for South Indian Railway Debenture Stock assumed by Government during the year ..	5,32,387			
7.	Fractional differences due to rounding	2			
	Total ..	14,80,31,19,869		Total ..	14,80,31,19,869

(a) Increased by Rs. 415 as the amount was actually adjusted under the head "Remittance Account between England and India" during 1942-43 but passed on to the High Commissioner during the year 1943-44.

SECTION N.—PUBLIC DEBT	INDIA	CR. Rs. 11,22,28,76,436
	ENGLAND	CR. £ 51,210,195

11. *Public Debt*.—This term as used in this Report is confined to regular loans raised from the public in India and in England, including certain Railway liabilities and the outstanding portion of India's financial contribution to the Great War, 1914-18. It does not cover other interest-bearing obligations, such as Post Office Savings Bank Deposits and Cash Certificates, and Provident, Depreciation, Reserve and other Funds, which are dealt with in Sections O and P of this Report. A comparative statement, showing the aggregate gross capital liabilities of the Central Government on the 31st March, 1944 and the capital and other disbursements which are treated as set-off against these liabilities, is to be found in Account No. 2 of Part B of this Report.

The liabilities reviewed in this Section are divided into two classes, namely "Permanent Debt" and "Floating Debt". The term "Permanent Debt" covers such of the loans borrowed by Government in the open market as are intended to have, at the time when they are raised, a currency of more than twelve months. The term "Floating Debt" is applied to borrowings of a purely temporary nature such as treasury bills and ways and means advances from the Reserve Bank of India, which are to be repaid within twelve months. The balances under each of these classes, which represent the nominal value of outstanding debt on the 31st March, 1944, are reviewed in the following paragraphs.

The outstanding balance of Public Debt on the 31st March, 1944 amounted in the aggregate to a sum of Rs. 11,90,56,79,037 as shown below, the sterling debt being converted into rupees at the rate of 1s. 6d. to the rupee. This method of presentation probably does not show the sterling liabilities at their true rupee value but in the absence of a more suitable basis for determining the exact rupee equivalents of the sterling loans raised in England, based on actual conditions, the sterling figures have been combined with the corresponding rupee figures in India at the conventional rate of 1s. 6d. to the rupee and the resultant total expressed in rupees.

	Cr. Rs.
Rupee Debt	11,22,28,76,436
Sterling Debt £ 51,210,195 converted into Rupees at £1 = Rs. 13½	68,28,02,601
Total ..	<u>11,90,56,79,037</u>

Rupee Debt Cr. Rs. 11,22,28,76,436

12. The balance under rupee debt is composed of the following parts :—

	Cr. Rs.
I.—Permanent Debt—	
A.—Loans bearing interest	10,06,54,87,033
B.—Loans not bearing interest	30,61,875
C.—Interest free loans	4,81,90,528
II.—Floating Debt	1,10,61,25,000
Total ..	<u>11,22,28,76,436</u>

I.—Permanent Debt.

13. The balances under this head are borne on the books of the Accountant General, Central Revenues. The details are shown in the following statements:—

A.—Loans bearing interest.

Rate of interest. (1)	Description of Loan. (2)	Amount of each loan. (3) Cr. Rs.	Total. (4) Cr. Rs.
5 per cent. ..	.. Loan, 1945-55 ..	56,74,93,700	56,74,93,700
4½ per cent. ..	.. Indore State Railway Loan	70,00,000	
4½ per cent. ..	.. Loan, 1950-55 ..	6,73,37,900	
4½ per cent. ..	.. Loan, 1955-60 ..	9,05,53,700	
4½ per cent. ..	.. Loan, 1958-68 ..	5,84,52,900	22,33,54,500
4 per cent. ..	.. Loan, 1960-70 ..	63,30,26,300	
4 per cent. ..	.. Loan, 1948-53 ..	5,02,34,200	
4 per cent. ..	.. Loan from Maharaja Scindia for State Railway. ..	1,50,00,000	69,82,60,500
3½ per cent. ..	.. Loan, 1842-43 ..	71,77,31,450	
3½ per cent. ..	.. Loan, 1854-55 ..	39,85,42,183	
3½ per cent. ..	.. Loan, 1865 ..	65,52,20,000	
3½ per cent. ..	.. Loan, 1879 ..	18,17,33,100	
3½ per cent. ..	.. Loan, 1900-01 ..	77,58,37,500	
3½ per cent. ..	.. Loan, 1947-50 ..	55,94,36,900	
3½ per cent. ..	.. Bonds, 1954-59 ..	12,34,68,200	3,41,19,69,333
3 per cent. ..	.. Loan 1953-55 ..	1,10,85,11,300	
3 per cent. ..	.. Loan, 1896-97 ..	8,77,87,400	
3 per cent. ..	.. Defence Bonds, 1946 ..	65,14,32,200	
3 per cent. ..	.. Loan, 1949-52 ..	66,63,53,500	
3 per cent. ..	.. Loan, 1951-54 ..	86,72,71,900	
3 per cent. ..	.. Loan, 1963-65 ..	91,17,46,700	
3 per cent. ..	.. Funding Loan 1966-68 ..	75,11,78,000	5,04,42,81,000
2½ per cent. ..	.. Loan, 1948-52 ..	12,01,28,000	12,01,28,000
Total ..			10,06,54,87,033

B.—Loans not bearing interest.

Description of Loan.	Amount of each Loan. Cr. Rs.
Treasury Bonds, 1935 ..	1,73,200
Bonds, 1935 ..	24,200
Bonds, 1934 ..	1,54,800
Bonds, 1933 ..	41,400
Bonds, 1932 ..	50,000
Bonds, 1931 ..	13,600
Bonds, 1930 ..	2,86,500
Bonds, 1927 ..	83,300
Bonds, 1926 ..	74,400
Bonds, 1933-36 ..	67,900
War Bonds, 1928 ..	1,12,875
War Bonds, 1925 ..	12,750
War Loan, 1929-47 ..	2,41,650
Conversion Loan, 1916-17 ..	19,000
Loan, 1934-37 ..	2,07,700
Loan, 1938-40 ..	63,300
Loan, 1939-44 ..	2,40,300
Loan, 1942-47 ..	48,000
Loan, 1940-43 ..	2,53,100
Bonds, 1941 ..	1,64,600
Bonds, 1943 ..	7,32,300
Total ..	30,64,875

C.—Interest Free Loans.

							Amount of each loan. Cr. Rs.
Three Year Interest-Free Defence Bonds	..	..	..	..	..	..	3,01,14,358
Five Year Interest Free Prize Bonds, 1949	..	..	..	..	..	..	1,80,85,170
Total							4,81,99,528

The total figure under “ B.—Loans not bearing interest ” represents the unclaimed balance of old loans which have been notified for discharge and have ceased to bear interest from the due date of discharge.

14. The figures in paragraph 13 correspond with those given in Account No. 93 of the Combined Finance and Revenue Accounts for 1943-44 and Account No. 3 of Part B II—Accounts of this report.

15. The Indore State Railway Loan of Rupees seventy lakhs and the Scindia State Railway Loan of Rupees one crore and fifty lakhs are not borne on the registers of the Reserve Bank but were taken under special conditions from the Maharajas Holkar and Scindia.

16. The other loans are borne on the registers of the Bank and the verification of their balances consists in a reconciliation between the loan balances which are outstanding on the books of the Accountant General, Central Revenues and the corresponding balances in the books of the Bank as representing the outstanding loans held against Government. A comparison of the figures of outstanding loans on the books of the Accountant General, Central Revenues, on the 31st March, 1944 with the corresponding liabilities on the books of the Bank revealed differences under twelve loan heads noted below :—

Description of Loan								Ledger balance more+less— Rs.
1. Treasury Bonds, 1935	..	..	..	..	..	..	..	—13,500
2. Bonds, 1930	..	..	..	..	..	..	..	—300
3. Bonds, 1931	..	..	..	..	..	..	..	+100
4. Bonds, 1926	..	..	..	..	..	..	..	—6,100
5. Bonds, 1943	..	..	..	..	..	..	..	—5,26,500
6. War Bonds, 1928	..	..	..	..	..	..	..	+100
7. Bonds, 1939-44..	..	..	..	..	..	..	..	—13,900
8. War Loan, 1929-47	..	..	..	..	..	..	..	+2,800
9. Loan, 1940-43	..	..	..	..	..	..	..	—22,900
10. Three Year Interest-Free Defence Bonds	..	..	..	..	..	..	..	—1,99,257
11. 3 per cent. Bonds, 1941	..	..	..	..	..	..	..	—25,000
12. Loan, 1953-55..	..	..	..	..	..	..	..	+8,74,78,700

The ledger balances on the books of the Accountant General, Central Revenues, based as they are on the actual transactions passing through the Government accounts of the year, may be taken as the true liability of the Central Government on the 31st March, 1944.

The differences mentioned above except in the case of items 10 and 12 relate to loans which are in course of discharge. The balances on the books of the Bank are not reduced until the securities are actually cancelled by that office, while the necessary debits are adjusted through the accounts of the Accountant General, Central Revenues, on the basis of information furnished by the Accountants General and Comptrollers. The differences in the case of items 1 to 9 and 11 were mostly due to securities discharged and accounted for as such in the accounts of the Accountant General, Central Revenues, but not cancelled by the Bank and *vice versa*, and in the case of item 8, to a certain extent to outstanding allotment letters not

having been converted into scrip. In the case of item 10 the loan is on tap and under discharge. Reconciliation with the Bank's figures will be effected after the loan is finally closed. In the case of item 12 reconciliation with the Bank's figures has not yet been completed.

Cr. Rs. 1,10,61,25,000

II.—Floating Debt

17. The balance under this head represents the amount of Treasury Bills outstanding on the 31st March, 1944 on the books of local Head Office s and the Branch Offices of the Reserve Bank of India. The details, according to accounting circles, are as follows :—

TREASURY BILLS.

								Cr. Rs.
								45,14,50,000
								94,75,000
Central Revenues ..	..	..	..	..	..	..	..	63,88,25,000
Madras ..	..	..	..	..	..	..	..	35,25,000
Bombay ..	..	..	..	..	..	..	..	28,50,000
United Provinces ..	..	..	..	..	..	..	..
Punjab ..	..	..	..	..	..	..	..
						Total	..	1,10,61,25,000

Cr. £ 51,210,195

Sterling Debt

18. The balance under Sterling Debt is composed of the following parts :—

Permanent Debt—

								Cr. £
								50,617,846
								592,349
I.—Loans bearing interest	..	..	..	..	..	..	..
II.—Loans not bearing interest	..	..	..	..	..	..	..
						Total	..	51,210,195

The details of the above balances are :—

I.—Loans bearing interest.

								Cr. £
								5,911,858
								707,488
								739,757
India 4½ per cent. Stock	..	..	..	..	..	..	..	2,608,285
India 4 per cent Stock	..	..	..	..	..	..	..	352,529
India 3½ per cent. Stock	..	..	..	..	..	..	..	20,990
India 3 per cent. Stock	..	..	..	..	..	..	..	101,450
India 2½ per cent. Stock	..	..	..	..	..	..	..	4,122
East Indian Railway Irredeemable Debenture Stock, 4½ per cent.	..	..	..	..	..	..	..	9,350
East Indian Railway New Debenture Stock, 3 per cent.	..	..	..	..	..	..	..	30,540
Eastern Bengal Railway Irredeemable Debenture Stock, 4 per cent.	..	..	..	..	..	..	..	21,850
South Indian Railway Perpetual Debenture Stock, 4½ per cent. ..	..	..	..	..	..	..	..	15,466,928
Great Indian Peninsula Railway Irredeemable Debenture Stock, 4 per cent.	..	..	..	..	..	..	..	39,929
Burma Railways Debenture Stock, 3 per cent.	..	..	..	..	..	..	..	13,455
Liability for British Government 5 per cent. War Loan (1929-47) taken over by India	..	..	..	..	..	..	..
South Indian Railway Debenture Stock, 4 per cent.	..	..	..	..	..	..	..
Bengal and North Western Railway 5 per cent. Debenture Stock (1945-60)	..	..	..	..	..	..	..

Railway Annuities.

								Cr. £
								8,761,372
								1,244,251
								4,209,059
								5,467,904
								4,906,729
East Indian Railway Annuity terminating in 1953	..	..	..	..	..	..	..
Eastern Bengal Railway Annuity terminating in 1957	..	..	..	..	..	..	..
Scinde Punjab and Delhi Railway Annuity terminating in 1959	..	..	..	..	..	..	..
Great Indian Peninsula Railway Annuity terminating in 1948	..	..	..	..	..	..	..
Madras Railway Annuity terminating in 1956..	..	..	..	..	..	..	..

Total—Loans bearing interest .. 50,617,846

II.—Loans not bearing interest.

	Cr.
	£
India 3½ per cent. Stock, 1931 or after	249,079
India 5 per cent. Stock 1942-47	5,351
India 5½ per cent. Stock, 1932	1,800
India 6 per cent. Bonds, 1932	450
India 6 per cent. Bonds, 1933	100
Bombay, Baroda and Central India Railway 3½ per cent. Debenture Stock ..	16,333
East Indian Railway 3½ per cent. Debenture Stock	275,930
Great Indian Peninsula Railway 3½ per cent. Debenture Stock	43,306
Total—Loans not bearing interest	592,349

19. These balances are borne on the books of the Secretary of State and agree with the figures shown in Account No. 93 of the Combined Finance and Revenue Accounts for 1943-44 and Account No. 3 of Part B II—Account; of this report.

The amount shown against “ Liability for British Government 5 per. cent. War Loan (1929-47) taken over by India ” is the undischarged balance of the liability assumed by India as a contribution towards the cost of the Great War, 1914-18. Payment of interest on this liability has been suspended from the 1st July, 1931.

The amounts shown under Railway Annuities represent the unexpired portion of the capital liability involved in the purchase of Railways under redemption by annuities, which has been transferred to General Revenues on the separation of the railway finances from the general finances of the Central Government. The liability for Railway Annuities is, however, included in the balance only for accounting reasons as it has been funded by a lump payment to His Majesty's Government which has undertaken to make available to the Central Government the amount required to meet the instalments as and when they fall due.

20. Funds were also raised by the Secretary of State by the issue of debentures through Railway Companies working State lines. The interest on these is guaranteed by the Secretary of State, but they are not in the nature of direct obligations and are not, therefore, included in the Public Debt of the Central Government.

SECTION O.—UNFUNDED DEBT	INDIA ..	Cr. Rs.	2,20,41,30,725
	ENGLAND ..	Cr. £	2,742,226

21. *Unfund'd Debt*.—This term is used to describe a number of interest bearing obligations of Government in respect of funds deposited with it for various purposes. The principal classes of these obligations are :—

	India. Rs.	England. £
Special Loans.. ..	1,45,12,521	..
Treasury Notes	71,619	..
Deposits of Service Funds	83,95,540	2,742,226
Savings Bank Deposits	68,20,28,387	..
Post Office Certificates	50,27,58,433	..
State Provident Funds.. ..	88,74,32,665	..
Other Accounts	10,89,31,560	..
Total Cr.	2,20,41,30,725	2,742,226

Special Loans	Cr. Rs.	1,45,12,521
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22. Under this head is recorded a number of interest-bearing obligations, mostly of a permanent character, of which the following are the details :—

Description of the Loan. (1)	Central Revenues. (2) Rs.	United Provinces. (3) Rs.	Punjab. (4) Rs.	Total. (5) Rs.
8 per cent. Perpetual Loan (Madras) ..	21,000	..	..	21,000
6 per cent. Perpetual Loan (Madras) ..	70,000	..	..	70,000
Endowments by the late King of Oudh—				
First Loan (6 per cent.) .. ..	..	24,60,565	..	24,60,565
Third Loan (5 per cent.) .. ..	..	98,36,330	..	98,36,330
Sixth Loan (4 per cent.) .. ..	..	13,96,626	..	13,96,626
Appropriation for the maintenance of Madho Rao	6,68,000	..	..	6,68,000
Endowment for Charitable and Educational Institutions	50,000	..	10,000	60,000
Total Cr.	8,09,000	1,36,93,521	10,000	1,45,12,521

23. Full particulars of these loans are given below :—

Madras Perpetual Loans	Cr. Rs.	91,000
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These are all deposits made by private persons originally with the Government of Madras as perpetual loans. The deposit is, in each case, an endowment for religious purposes connected with Christian churches.

Endowments by the late King of Oudh ..	Cr. Rs.	1,36,93,521
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These are endowments made by the late King of Oudh for the payment of pensions and certain stipends called Wasika Pensions. The balances of the first, the third and the sixth loans have been reduced by Rs. 2,094, Rs. 1,713 and Rs. 489 respectively during the year under report owing to adjustments on account of the values of commuted and lapsed pensions.

Appropriation for the maintenance of Madho Rao ..	Cr. Rs.	6,68,000
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The balance shown against this head represents the amount appropriated in 1861 out of the property forfeited by Madho Rao's father to provide a pension for his son.

Endowment for Charitable and Educational Institutions ..	Cr. Rs.	60,000
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The particulars of these endowments are :—

Central Revenues—

	Cr. Rs.
Deposits of the Lawrence Military Asylum, Mount Abu	10,000
Annuity Fund of Fattch Ullah Khan	40,000

Punjab—

						Cr. Rs.
Lawrence Memorial Asylum at Murree	..	..	..	..	..	10,000
					Total	60,000

These consist generally of endowments for specific purposes of an educational or charitable character, e.g., maintenance of asylums for the poor, etc., which were accepted by Government from private persons at various times. These loans are practically fixed and do not, therefore, require annual verification.

Treasury Notes **Cr. Rs. 71,619**

24. The balance represents the value of three non-transferable Treasury Notes at 4 per cent. (Madras). Two Treasury Notes, one for Rs. 20,219 and another for Rs. 10,000, are held by the Accountant General, Madras, as Treasurer of Charitable Endowments. The third Note for Rs. 41,400 belonging to the Lawrence Memorial Royal Military School, Lovedale is held by the Reserve Bank of India, Madras on behalf of the Administrators—viz., the Director of Public Instruction, Madras and the Collector of the Nilgiris.

Deposits of Service Funds	{	India ..	Cr. Rs.	83,95,540
		England ..	Cr. £	2,742,226

25. The details are as follows :—

<i>India.</i> —					Cr. Rs.
Bengal Uncovenanted Service Family Pension Fund	..	..	..	..	34,75,668
Bengal and Madras Service Family Pension Fund	..	..	..	..	16,48,560
Madras Military Assistant Surgeons' Fund	..	..	..	..	4,20,498
Bombay Family Pension Fund of Government Servants (Widows' Pension Branch)	..	..	..	..	28,41,816
				Total	83,95,540

<i>England.</i> —					Cr. £
Indian Military Widows' and Orphans' Fund	..	..	..	..	211,775
Indian Military Service Family Pension Fund	..	..	..	..	1,497,402
Indian Civil Service Family Pension Fund	..	..	..	..	1,033,049
				Total	2,742,226

26. *India.*—These represent, in the main, the balances of certain funds intended for the benefit of Government servants, but not under the control of Government, which are deposited with Government on favourable terms as to interest.

In respect of all these funds the Treasury is merely the depository, the funds having in each case their separate offices and organisations for keeping the details of the accounts. The verification of the balances, therefore, consists in merely agreeing the balances on the Government books with those claimed by the trustees or other responsible officers of the funds.

27. *England.*—*The Indian Military Widows' and Orphans' Fund.*—It was designed to secure suitable provision for the widows and orphans of officers of the Indian Army not being subscribers under the Indian Military Service Family Pension Regulations. The balance of the fund, which is essentially sterling in character, is held in England.

Post Office Defence Savings Bank Deposits.—To provide a ready means for the deposit of their saving by persons of limited means with a view to enable them to help in the war efforts, the Indian Post Office Defence Savings Bank has been established from the 1st April, 1941. Deposits are received subject to certain limitations and bear interest at the rate of 2-1/2 per cent. per annum. The interest credited to the depositors' accounts during the year amounted to Rs. 3,80,998. There was a difference of Rs. 23,940 between the ledger balance and total of balances in the accounts of the depositors which is under reconciliation.

Post Office Certificates Cr. Rs. 50,27,58,433.

29. These are composed of the following :—

	Cr. Rs.
Post Office Five Year Cash Certificates	34,65,47,783
Post Office Ten Year Defence Savings Certificates	6,96,66,190
Post Office Twelve Year National Savings Certificates	8,65,44,460
Total ..	50,27,58,433

Post Office Five Year Cash Certificates.—The balance represents the issue price of cash certificates sold to the public remaining undischarged at the end of the year under review and does not include the accrued liability in respect of bonus which is of the nature of deferred interest and is payable under the system described below.

These certificates are repayable on demand at any time, but are ordinarily expected to remain in deposit for five years. On repayment, after the first year of deposit, a bonus is payable in addition to the principal. For a certificate remaining in deposit for the full five years, the bonus payable represents, at the rates of issue prevailing during the period covered by this report, approximately 2-1/2 per cent. compound interest.

With a view to afford additional facility to the holders, cash certificates maturing on or after the 6th June, 1940 are allowed, at the option of the holders, to be held for a further period of ten years, at revised rates of interest during the extended period. A sum of Rs. 8,03,024 representing the issue price of unclaimed cash certificates was transferred to Central Revenues in the accounts for 1943-44.

Post Office Ten Year Defence Savings Certificates.—With effect from the 6th June, 1940 this new form of Postal Certificate has been issued. These certificates, like the Five Year Cash Certificates, are payable on demand with a bonus, if paid on or after the expiry of two years from the date of issue but are ordinarily expected to remain in deposit for ten years. The bonus payable after the full term of ten years represents, at the rates now prescribed, approximately 3-1/8 per cent. compound interest. The balance represents the issue price of certificates remaining undischarged at the close of 1943-44. The issue of these certificates has been stopped from the 1st October, 1943. There was one case of write off amounting to Rs. 10 during the year under report.

Post Office Twelve Year National Savings Certificates.—This new form of certificate, known as Post Office Twelve Year National Savings Certificates, is being issued from the 1st October, 1943. These certificates, like the Ten Year Defence Savings Certificates, are payable on demand with a bonus if paid on or after the expiry of three years from the date of issue. The bonus payable after the full term of twelve years amounts approximately to 4-1/6 per cent simple interest. The balance represents the issue price of the certificates remaining undischarged at the close of the year 1943-44. The difference of Rs. 21,170 between the ledger and the subsidiary register balances is under reconciliation.

State Provident Funds

30. These are funds established for the benefit of Government servants, contribute the sums deposited in them and, in some cases where the funds in effect represent revenues. The Defence Savings Provident Funds, ordinary and railway, are accumulated deposits in the other funds are finally paid to the depositors on the circumstances. The balances of individual accounts were duly communicated to funds are as shown in the following table :—

Balance of State Provident Funds

Funds.	Central Revenues.	Supply Accounts (Civil).	Food Account.	Balu- chistan.	Madras.	Bombay.	Bengal.	United Provinces.	Punjab.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
State Railway Provident Insti- tution ..	5,88,728	..	..	..	..	..	..	..	..
Companies' Rail- ways Provident Fund ..	..	..	..	..	..	..	..	..	..
General Provident Fund ..	1,98,83,805	7,00,100	..	9,36,727	27,23,297	74,45,449	62,97,276	17,99,136	14,91,467
Indian Civil Ser- vice Provident Fund ..	21,62,654	..	..	87,395	—610	39,202	706	222	670
Indian Civil Ser- vice (Non- European Mem- bers) Provident Fund ..	1,06,765	..	..	..	—1,418	..	..	—385	131
Defence Savings Provident Fund	15,47,869	2,84,671	760	63,578	19,82,860	25,40,204	10,18,150	17,52,629	27,15,669
Defence Savings Provident Fund Railways ..	..	..	..	..	..	..	..	..	..
Defence Services Officers' Provid- ent Fund ..	..	..	..	..	..	..	..	..	..
Military Engineer Services Provid- ent Fund ..	..	..	..	..	..	..	..	..	..
Indian Ordnance Department Pro- vident Fund ..	..	..	..	..	..	..	..	..	..
Contributory Pro- vident Fund ..	25,27,238	24,25,554	..	..	4,58,642	8,62,479	6,62,706	1,178	14,538
Other Miscellane- ous Provident Funds ..	..	1,11,025	..	..	4,62,087	..	..	..	..
Total ..	2,71,17,059	35,24,350	760	10,87,700	55,21,858	1,08,87,334	79,78,838	35,52,780	42,22,475

Cr. Rs. 88,74,32,665

on the 31st March, 1944.

Bihar.	Central Provin- ces and Berar	Assam.	North- West Frontier Province.	Orissa.	Sind.	Coorg.	Defence.	Railways.	Posts and Telegraphs.	Total.
(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
..	..	..	..	..	..	..	..	54,46,14,315	..	54,52,03,043
..	..	..	..	..	..	..	..	17,13,79,724	..	17,13,79,724
8,38,928	7,23,774	2,55,253	4,28,167	1,38,191	7,60,231	4,94,805	1,81,86,531	31,41,545	3,90,21,233	10,61,65,915
..	..	..	91,973	..	..	..	..	..	40,146	27,22,358
..	..	..	..	..	..	..	..	..	2,689	1,07,782
9,15,282	8,63,215	3,31,649	5,29,635	2,34,097	2,77,212	2,631	19,43,408	54,857	11,94,661	1,81,58,037
..	..	..	..	..	..	..	..	22,34,517	..	22,34,517
..	..	..	..	..	..	..	93,93,733	..	..	93,93,733
..	..	..	..	..	..	..	52,537	..	..	52,537
..	..	..	..	..	..	..	95,85,153	..	..	95,85,153
..	..	..	5,748	..	..	..	2,76,802	..	45,82,897	1,18,17,772
..	..	..	..	..	..	..	1,00,35,982	..	..	1,06,12,094
17,54,210	15,86,989	5,86,902	10,55,523	3,72,288	10,37,443	4,97,433	4,94,70,146	72,14,24,958	4,57,41,616	88,74,32,665

State Railway Provident Institution .. **Cr. Rs. 54,52,03,043**

31. The balance in the ledgers of the institution was reconciled with the General Books of the Railways concerned except on the East Indian and Great Indian Peninsula Railways and with the broadsheet maintained by the Accountant General, Central Revenues. The difference of Rs. 2,169 under Central Revenues, is under settlement. The balances in the General books are under reconciliation with the personal accounts of the individual members on the East Indian and the Great Indian Peninsula Railways. One case of misclassification detected during test audit resulted in a short credit of Rs. 1,23,000.

Companies' Railways Provident Fund .. **Cr. Rs. 17,13,79,724**

32. The balance at credit of the fund was reconciled with the accounts of individual depositors. There were differences of Rs. 3,551 on the Bengal Nagpur and Rs. 44 on the South Indian Railways which have been adjusted in the accounts for 1944-45. One case of misclassification detected during test audit resulted in a short debt of Rs. 4,000.

General Provident Fund .. **Cr. Rs. 10,61,65,915**

33. The Ledger balances of this fund on the books of the Civil and Departmental Accounting Officers are proved with the sum total of the balances of the personal accounts of the subscribers to the fund. In doing so, differences were found in certain cases, which have since been settled except for Rs. 13,144 in Central Revenues, Rs. 2,736 in Supply Accounts (Civil), Rs. 150 in Baluchistan, Rs. 5,681 in Madras, Rs. 956 in Bengal, Rs. 117 in United Provinces, Rs. 403 in the Punjab, Rs. 14,002 in Bihar, Rs. 370 in Central Provinces, Rs. 215 in Orissa and Rs. 104 in Coorg.

Indian Civil Service Provident Fund .. **Cr. Rs. 27,22,358**

34. The balances under this head represent deductions made from the salaries of members of the Indian Civil Service which are funded for the benefit of the officers concerned. The ledger balances agree with the broadsheets maintained by Accounts Offices except Rs. 1,332 under Central Revenues and Rs. 222 under United Provinces, which are under settlement. The balance shown under Punjab has been re-adjusted in 1944-45. The debit balance under Madras is due to erroneous adjustments and will be adjusted in the accounts for 1944-45.

Indian Civil Service (Non-European Members)

Provident Fund .. **Cr. Rs. 1,07,782**

35. This fund was established on the 1st January, 1931. It is open only to Non-European members of the Indian Civil Service. The balance shown under Punjab has been re-adjusted in 1944-45 with the exception of Rs. 35. The debit balances under Madras and United Provinces are due to erroneous adjustments and are in course of reconciliation. The difference of Rs. 148 between the ledger and the broadsheet balances under Central Revenues is under settlement.

Defence Savings Provident Fund .. **Cr. Rs. 1,81,58,037**

36. This fund was started during the year 1940-41 to enable Government servants to take part in the defence savings movement. Subscriptions are voluntary and will not continue beyond twelve months from the date on which the present war is declared to have terminated. No advances are permitted. The amount standing at the credit of a subscriber is payable on his quitting service or on the expiry of twelve months from the date on which the present war is declared to have terminated, whichever is earlier, provided that in the latter case the subscriber gives due intimation claiming payment to the Accounts Officer or the Head of the office as laid down in the rules.

Defence Savings Provident Fund—Railways	Cr. Rs.	22,34,517
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Defence Services Officers' Provident Fund	Cr.	Rs.	93,93,733
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Military Engineer Services Provident Fund	Cr. Rs.	52,537
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Indian Ordnance Department Provident Fund	Cr.	Rs.	95,85.153
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Contributory Provident Fund	Cr. Rs.	1,18,17,712
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Other Miscellaneous Provident Funds	..	Cr.	Rs.	1,06,12,004
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Other Accounts	Cr.	Rs.	10,89,31,560
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						Cr.
	BOMBAY.					Rs.
Bombay Family Pension Fund of Government Servants (Life Assurance Branch)	..					2,395
	BENGAL.					
*General Family Pension Fund	..	..	..	..	..	9,26 ⁶
Hindu Family Annuity Fund	..	..	..	..	..	2,04,03 ⁹
Bengal Christian Family Pension Fund	..	..	..	..	..	2,251

POSTS AND TELEGRAPHS.

Cr.
Rs.

Postal Insurance and Life Annuity Fund	10,53,24,076
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RAILWAYS.

Staff Benefit Fund	15,50,773
Indian Railway Conference Association Employees' Provident Fund	7,31,911
Eastern Group Sleeper Control Provident Fund	..	..	..	..	..	2,34,464
Sind, Punjab and Delhi Railway Clergy Endowment Fund	..	..	..	..	..	16,236
Technical Trainees' Benefit Fund	73

GENERAL.

Cemetery Endowment Fund	8,56,076
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Total	..	10,89,31,560
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44. *Bombay Family Pension Fund of Government Servants (Life Assurance Branch).*—The balance is constituted of subscriptions of such members of the fund who become widowers.

45. *General Family Pension Fund.*—The balance under this head differs from the amounts claimed by the Administrator of the fund by Rs. 480 which is under reconciliation.

46. *Hindu Family Annuity Fund.*—The fund was established in 1872 as a mutual and benevolent institution primarily for the purpose of providing annuities to the widows and children of the Bengalee Hindus and Brahmos. The fund is managed by a Board of Directors. The receipts of the fund consist of subscriptions of Government employees, pensioners, and others and also of interest on the securities in which the fund money is invested. For current expenses and investments, letters of credit are issued on the Reserve Bank of India, Calcutta. The difference of the 7,998 between the ledger and the broadsheet balances in Bengal is under settlement.

47. *Bengal Christian Family Pension Fund.*—The fund was established in 1859 with the object of enabling subscribers belonging to the Indian Christian community to secure pensions for themselves, their widows, children and wards. The management of the fund is made by the members themselves through the Board of Directors. The fund being purely mutual, the surplus for interest, etc., is returned to members by reduction of subscription and/or grant of cash bonus, etc.

48. *Postal Insurance and Life Annuity Fund.*—This is a Life Insurance Fund managed by Government for the benefit of its employees, in which insurance is permitted up to a maximum of Rs. 20,000 for each life insured. The balance includes interest for the year at $3\frac{1}{2}$ per cent. on balances at credit of the fund in respect of policies issued up to the 31st March, 1940 and at 3 per cent. in respect of policies issued from the 1st April, 1940 onwards. The number of subscribers on the 31st March, 1944 was 93,221 against 94,536 on the same date in 1943.

49. *Staff Benefit Fund—Railways.*—This provides certain amenities and affords relief from distress to non-gazetted employees of railways, the cost of which was previously met from the Railway Fine Fund. The income of the fund is derived from fines levied on the employees, supplemented by a contribution from Railway revenues. There was a difference of Rs. 4,696 on the North Western Railway out of which Rs. 3,347 has been cleared in 1944-45.

SECTION P.—DEPOSITS AND ADVANCES.

INDIA	{ Dr. Rs. 35,75,80,150 Cr. Rs. 3,37,73,27,110
ENGLAND	{ Dr. £ 38,520,730 Cr. £ 7,536,435

55. This Section consists of five main parts, namely :—

Heads.	India.		England.	
	Dr.	Cr.	Dr.	Cr.
	(2)	(3)	(4)	(5)
	Rs.	Rs.	£	£
(I) Deposits bearing interest ..	83,38,397	1,58,48,34,077	..	..
(II) Deposits not bearing interest ..	(a) 16,76,790	(a) 1,43,68,99,047	7,499,672	7,500,000
(III) Advances not bearing interest ..	34,75,52,594	..	8,306	..
(IV) Suspense .. .. .	..	35,55,93,986	31,012,752	..
(V) Miscellaneous	12,369	..	..	36,435
Total ..	35,75,80,150	3,37,73,27,110	38,520,730	7,536,435

(a) The difference of Rs. 16,60,722 both under debit and credit balances, as compared with the balances under this head shown in paragraph 4 (I—Balances in India) has been explained by footnote (a) below paragraph 63.

PART I.—DEPOSITS BEARING INTEREST.

56. This part consists of two main divisions, namely :—

Divisions.	Dr.	Cr.
	Rs.	Rs.
(A).—Reserve Funds	83,38,397	1,20,24,40,482
(B).—Other Deposit Accounts .. .. .	..	38,23,93,595
Total ..	83,38,397	1,58,48,34,077

(A).—RESERVE FUNDS.

57. This division consists of funds created out of revenue and held in the Government balances on behalf of various departments for specific purposes. The details are as follows :—

	Dr. Rs.	Cr. Rs.
Reserve Fund—Railways .. .. .	..	22,55,09,224
Loans to Branch Line Companies	9,17,152	..
Reserve Fund Investment Account—Railways	74,21,245	..
Depreciation Reserve Fund—Railways .. .. .	..	92,30,32,293
Appropriation to Renewals Reserve Fund for Permanent Way and Rolling Stock .. .. .	..	1,08,04,903
Renewals Reserve Fund—Posts and Telegraphs .. .. .	..	3,40,85,063
Renewals Reserve Fund—Northern India Salt Revenue .. .. .	..	27,68,663
Depreciation Reserve Fund—Lighthouses and Lightships .. .. .	..	16,16,739
General Reserve Fund—Lighthouses and Lightships .. .. .	..	46,23,597
Total ..	83,38,397	1,20,24,40,482
Reserve Fund—Railways	Cr. Rs.	22,55,09,224
Loans to Branch Line Companies	Dr. Rs.	9,17,152
Reserve Fund Investment Account—Railways	Dr. Rs.	74,21,245
Depreciation Reserve Fund—Railways	Cr. Rs.	92,30,32,293
Appropriation to Renewals Reserve Fund for Permanent Way and Rolling Stock	Cr. Rs.	1,08,04,903

58. *Reserve Fund—Railways.*—The balance at credit of this Fund in the general books on the 31st March, 1944, was Rs. 22,55,09,224.

With the separation of Railway finances from General finances, General Revenues are entitled to receive an annual contribution from Railways. The contribution is based on the capital outlay and the working results of the commercial lines and is a sum equal to one per cent. on capital outlay on commercial lines (excluding capital contributed by Companies and Indian States, etc.) at the end of the financial year next but one preceding plus 1/5th of any surplus profits remaining after payment of the fixed return. The interest on capital outlay and the loss in working strategic lines are deducted from the contribution so calculated in order to arrive at the amount payable from Railways to General Revenues each year. The contribution is the first charge on the net receipts of Railways. Any surplus remaining after this

payment to General Revenues is transferred to the Reserve Fund—Railways. Amounts may be withdrawn from the Railway Reserve to secure the payment of the annual contribution to General Revenues ; to provide, if necessary, for arrears of depreciation and for writing down and writing off capital ; and to strengthen the financial position of Railways in order that the services rendered to the public may be improved and rates and fares may be reduced. The Railway Reserve may also be used for temporary borrowings for the purpose of meeting expenditure for which there is no provision or insufficient provision in the revenue budget estimate, subject to the obligation to make repayment of such borrowings out of the revenue budgets of subsequent years. The amount includes Rs. 13,20,07,042 being the contribution from the surplus for the year.

Loans to Branch Line Companies.—This head represents advances made in previous years from Depreciation Reserve Fund to certain branch lines to meet capital expenditure. The amount was transferred to Railway Reserve Fund during 1942-43 as it was held that such loans should be granted therefrom. The balance at debit of this head was Rs. 9,17,152 at the end of March, 1944.

Reserve Fund Investment Account—Railways.—The balance of Rs. 74,21,245 represents the amount invested from the Railway Reserve Fund in shares of branch line companies. It includes a sum of Rs. 31,20,910, invested originally from the capital programme and subsequently treated as investment from the Depreciation Reserve Fund. During the year 1942-43 this was treated as investment from the Reserve Fund—Railways in pursuance of the wishes of the Public Accounts Committee. The face value of these shares was Rs. 77,27,800.

Depreciation Reserve Fund—Railways.—It provides generally for the cost of renewals of all assets. The amount set aside annually to cover depreciation is one-sixtieth of the total capital outlay to the end of the previous year. The Fund includes provision in respect of company-managed railways also, though the procedure of accounting followed in their case is somewhat different.

During the period 1931-32 to 1935-36 the balance of the Fund was utilised temporarily to meet losses in the working of the Indian Railways by taking loans from this Fund. A portion of the amount so utilised was, however, repaid to the Fund from the surplus for the years 1936-37 and 1941-42. The net amount of these loans at the end of 1941-42 was Rs. 22,38,24,811. This was wiped off in 1942-43, partly by payment of Rs. 16,08,18,305 from the surplus of the year and partly by transfer of Rs. 6,30,06,506 from the Reserve Fund—Railways.

A sum of Rs. 32,26,416 representing the cost of abandoned assets which was held in the books of the Railway Board under Capital, was debited to this Fund in 1937-38.

Out of the credit balance of Rs. 92,30,32,293 at the end of 1943-44 under this head, a sum of Rs. 88,54,45,261 relates to Commercial lines and Rs. 3,75,87,032 to Strategic lines.

Six cases of misclassifications noticed during test audit resulted in a net short debit of Rs. 1,20,600 to the Fund.

Appropriation to Renewals Reserve Fund for Permanent Way and Rolling Stock.—This fund was instituted during the year 1942-43 on the Bengal Nagpur, the Madras and Southern Mahratta and the South Indian Railways, for the purpose of setting aside from working expenses of the companies the amounts required to meet the post-war expenditure on renewals and replacements of Permanent Way and Rolling Stock, which had to be deferred on account of the war.

The balance at credit of this Fund on the 31st March, 1944 was Rs. 1,08,04,903.

This Fund was treated as non-interest bearing during the year 1942-43 on the understanding that the contribution to this Fund would not be debited to the Depreciation Reserve Fund. Subsequently, it was decided that the Fund should be treated as interest-bearing with retrospective effect and the contribution thereto should be made by debit to the Depreciation Reserve Fund.

Renewals Reserve Fund—Posts and Telegraphs .. Cr. Rs. 2,40,85,063

59. This Reserve Fund is designed to meet the cost of all replacements and abandoned assets. The annual contribution from Revenue to the Reserve Fund has been fixed at Rs. 25,00,000 per annum from the 1st April, 1941 for a period of five years. A lump sum contribution of Rs. 21,33,000 for 1943-44 has been made from Revenue to this Fund in respect of the assets of the Telephone Districts. The amount of contribution relating to each branch of the Department for the year 1943-44 has been arrived at by apportionment of the total amount mentioned above, in the following proportions fixed by the Finance Department—

Post Office	12 per cent.	Telephone	30 per cent.
Telegraphs	48 per cent.	Radios	10 per cent.
			Total .. 100 per cent.

The position of the accumulated Reserve in respect of each of the branches of the Department at the close of 1943-44 is shown below :—

	Rs.		Rs.
Post Office	14,95,576	Telephone	97,07,979(a)
Telegraphs	2,22,81,519	Radios	5,95,989
		Total ..	3,40,85,063

Renewals Reserve Fund—Northern India Salt Revenue Cr. Rs. 27,68,663

60. The Depreciation Reserve Fund of the Northern India Salt Revenue Department which was instituted in 1924-25 was replaced by a "Renewals Reserve Fund" from the 1st April, 1938 with a fixed annual contribution of Rs. 1,30,000. Certificate of acceptance is awaited from the Collector, Central Excises and Salt, North Western India.

Depreciation Reserve Fund—Lighthouses and Lightships Cr. Rs. 16,16,769

General Reserve Fund—Lighthouses and Lightships .. Cr. Rs. 46,23,537

61. The Depreciation Reserve is intended to provide for renewals and replacements of wasting assets. The acceptance certificate is awaited.

The General Reserve is built up by transferring from the Income and Expenditure account of the Department the surplus of the receipts over the expenditure of each year. It is charged with the amounts of deficiencies, if any, in the Income and Expenditure account. Capital expenditure may also be met out of this Reserve. The acceptance certificate is awaited from the Department of Commerce.

These Reserves have been deposited with the Government. The interest earned thereon is treated as income of the Department.

(a) Includes Rs. 17,36,448 in respect of Telephone Districts.

(B).—OTHER DEPOSIT ACCOUNTS.

Cr. Rs. 38,23,93,595

Other Deposits ..

62. The following are the details :—

Heads.	Central Revenues.	Madras.	Bombay.	Bengal.	United Provinces.	Punjab.	Bihar.	Central Provinces and Berar.	Assam.	North- West Frontier Province.	Orissa.	Total.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.	Ra.
Account of Optional Deposits of Excess Profits Tax under Indian Finance Act, 1942.	21,92,583	39,82,815	3,22,27,711	1,06,98,043	30,09,094	7,68,073	31,364	17,55,050	5,808	81,947	3,813	5,53,56,103
Account of Compulsory Deposits of Excess Profits Tax under Ordinance No. XVI of 1943.	4,32,398	42,57,781	63,08,691	32,03,589	2,32,988	12,53,553	35,468	3,17,175	..	53,760	30,808	1,61,25,271
Account of anticipatory de- posits made after provisional assessments of Excess Profits Tax.	15,134	43,53,156	83,33,323	47,40,796	21,21,249	..	..	..	..	..	..	1,97,63,638
Deposits towards payment of Income Tax.	5,59,640	92,89,010	1,19,71,164	1,87,08,555	23,98,949	2,15,000	62,014	..	24,31,703	..	..	4,53,36,131
Deposits towards payment of Excess Profits Tax.	40,125	8,41,31,544	11,10,62,816	1,53,23,493	2,61,02,823	7,63,920	22,913	8,000	..	82,000	..	23,76,17,534
Village Collective Savings Accounts.	..	78,806	..	..	78,15,000	..	..	..	..	..	..	78,93,836
Total ..	32,39,880	10,69,93,208	17,01,03,705	5,26,74,478	4,23,70,103	29,90,548	1,51,039	20,80,223	24,37,001	2,17,707	34,481	38,23,93,595

Account of Optional Deposits of Excess Profits Tax under

Indian Finance Act, 1942 **Cr. Rs. 5,53,56,105**

63. The Deposits of Excess Profits Tax made by the assesseees under Section 10 of the Indian Finance Act, 1942 are recorded under this head. The deposit is repayable with interest at 2 per cent., per annum within twelve months of the date of termination of the present hostilities.

Account of Compulsory Deposits of Excess Profits Tax

under Ordinance No. XVI of 1943 **Cr. Rs. 1,61,26,271**

64. The amounts required to be deposited by the assesseees in respect of Excess Profits Tax under Ordinance No. XVI of 1943 are credited under this head. The deposit carries simple interest at 2 per cent. and is repayable within twelve months of the date of termination of the present hostilities or within 24 months from the date of deposit, whichever is later.

Account of Anticipatory Deposits made after provi-

sional Assessment of Excess Profits Tax **Cr. Rs. 1,97,63,658**

65. Anticipatory deposits made by the assesseees are credited under this head. These are to be adjusted against the final assessment.

Deposits towards payment of Income Tax **Cr. Rs. 4,58,86,131**

Deposits towards payment of Excess Profits Tax **Cr. Rs. 23,76,17,534**

66. The amounts deposited in advance by the assesseees towards payment of Income Tax and Excess Profits Tax are credited under these heads. These are to be adjusted by the departmental officers against the assessment made for the respective taxes. Interest is payable at 2 per cent. per annum but no interest will be allowed on amounts which are not utilised for tax payment nor on deposits which run for less than three months.

Village Collection Savings Accounts **Cr. Rs. 78,93,896**

67. This head has been opened to record the amounts deposited with the Central Government on account of collections of subscriptions towards the defence savings drive.

PART II.—DEPOSITS NOT BEARING INTEREST.

68. This part consists of three main divisions, namely :—

Divisions.	India.		England.	
	Dr.	Gr.	Dr.	Gr.
(1)	(2)	(3)	(4)	(5)
	Rs.	Rs.	£	£
(A)—Sinking Funds .. ..	..	16,66,78,092	..	..
(B)—Reserve Funds	14,938	10,07,25,987	7,499,672	7,500,000
(C)—Other Deposit Accounts ..	16,61,852	1,16,94,94,968	..	..
Total	(a)16,76,790	1,43,68,99,047	(a)7,499,672	7,500,000

(a) Represents Investments in Government Securities. Out of Rs. 16,76,790 a sum of Rs. 16,60,722 (Rs. 5,66,345 + Rs. 10,94,377) pertains to Local Funds, etc. As such, it has been excluded from investments of Government. [See footnotes (a) and (c) below paragraph 84.] For details see paragraphs 70 and 71 and foot notes below paragraph 84.

(A) SINKING FUNDS.

Sinking Fund for Central Loans Cr. Rs. 16,66,78,092

69. The credit balance under this head represents the provision made against depreciation of the market price of the 5 per cent., Loan 1945—55. The money accumulating in this fund is available for purchasing the securities of this loan in the open market when their market value falls below the issue price and thus secures the two objects of stabilising the market and reducing Government liabilities at a comparatively low cost to Government. The total balance in the fund including interest on previous investments amounted to Rs. 16,66,78,092, the whole of which remained uninvested at the end of 1943-44.

(B) RESERVE FUNDS.

70. The details are :—

Name of Funds. (1)	India.		England.	
	Dr.	Cr.	Dr.	Cr.
	(2)	(3)	(4)	(5)
	Rs.	Rs.	£	£
Silver Redemption Reserve	7,500,000
Silver Redemption Reserve Investment Account	7,499,672	..
Defence Reserve Fund	1,05,00,005	..	..
Equalisation Fund—Defence Services	1,38,03,432	..	..
Post Office Certificates Bonus Fund	61,80,792	..	..
Central Road Fund	2,60,55,816	..	..
Sugar Excise Fund	6,47,903	..	..
Sugar (Temporary Excise) Fund	57,69,419	..	..
Fund for the relief of ground-nut cultivators	5,75,998	..	..
Civil Aviation Fund	1,24,885	..	..
Panth Piploda Reserve Fund	15,489	..	..
Panth Piploda Reserve Fund Investment Account	14,938	..	..	..
Fund for the Economic Development and Improvement of Rural Areas	9,28,523	..	..
Fund for the Development of Civil Aviation	32,28,042	..	..
Fund for the Development of Broadcasting	14,70,903	..	..
Fund for Special Frontier Expenditure including Development	91,76,170	..	..
Fund for the benefit of cotton growers	1,95,12,589	..	..
Depreciation Reserve Fund—Government Presses	13,44,131	..	..
Renewals Reserve Fund—Defence Services	13,88,890	..	..
Total	14,938	10,07,25,987	7,499,672	7,500,000

Silver Redemption Reserve	Gr. £	7,500,000
Silver Redemption Reserve Investment Account .. .	Dr. £	7,499,672

71. The primary object of the Silver Redemption Reserve is to provide sterling assets for transfer to the Issue Department of the Reserve Bank of India against delivery by the Bank of rupee coin, in accordance with the proviso to Section 36 (1) of the Reserve Bank of India Act. Except for some small amount of cash, the entire balance of the Reserve is invested in sterling securities. The Reserve including the invested portion is in the custody of the Secretary of State.

The intention is to maintain this Reserve at a market value of Rs. 10 crores. It may be increased by receipts from any of the following sources namely :—

- (a) proceeds of sales of silver from the Surplus Silver Stock,
- (b) payments from the Bank under Sections 36 (2) and 36 (3) of the Act,
- (c) profits from any casual sales of gold by the Bank accruing to Government as part of its share of the profits of the Bank, and
- (d) capital appreciation of the securities.

The Reserve is liable to diminution from two causes, namely :—

- (i) transfer of assets to the Bank under the proviso to Section 36 (1) of the Act to meet sterling liabilities in respect of return of coin, and
- (ii) capital depreciation of securities.

Receipts from the first source are regarded as available for replenishment of the Reserve only to the extent of any deficiency caused by previous payments to the Bank, any excess in the corpus of the Reserve over Rs. 10 crores being credited to the head "Purchases and Sales of Silver". As a matter of accounting machinery and in order to avoid the record of silver sales under two different heads, all such sales are recorded in the first place under the head "Purchases and Sales of Silver", any amount appropriated to the Silver Redemption Reserve being credited to the Reserve. Capital depreciation constitutes the first charge on the interest realised from the Securities held in the Reserve, and only the net amount of interest in any year, after making good any depreciation suffered during that year, is creditable to Revenue. If in any year, there is a net appreciation in investments belonging to the Reserve, the amount of such appreciation together with all the interest receipts of that year is creditable to Revenue.

The balance on the 31st March, 1944 was made up as follows :—

				Nominal amount. £	Market value. £
Investments :—					
British Government	3% National Defence Loan, 1954-58	..	..	1,260,000	..
Do.	3% War Loan, 1955-59	..	..	1,250,000	..
Do.	2½% Funding Loan, 1952-57	..	..	1,379,100	..
Do.	2½% National Defence Bonds, redeemable 1944-48 by drawings	..	..	2,000,000	..
Do.	2½% Conversion Loan, 1944-49	..	..	68,700	..
Do.	2½% National War Bonds 1951-53	..	..	750,000	..
Do.	2½% National War Bonds, 1952-54	..	..	750,000	..
Total				7,457,800	7,499,672
Add—Uninvested (included in General Cash Balance)				..	328
Total				7,457,800	7,500,000

The securities are lodged at the Bank of England, by which the amounts of the holdings have been verified.

Defence Reserve Fund	Cr. Rs. 1,05,00,005
Equalisation Fund—Defence Services	Cr. Rs. 1,38,06,422

72. All operations on these Funds and the Renewals Reserve Fund, Defence Services (see paragraph 33) have been suspended from 1st April, 1939 for the duration of the war in consequence of the financial arrangements reached between His Majesty's Government and the Central Government in respect of Defence Services.

Post Office Certificates Bonus Fund	Cr. Rs. 61,80,792
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73. This is composed of the following :—

	Cr. Rs.
Post Office Cash Certificate Bonus Fund	43,82,044
Post Office Defence Savings Certificate Bonus Fund	17,98,748
Total	61,80,792

Post Office Cash Certificate Bonus Fund.—This fund came into existence in 1930-31 to provide for accruing liability in respect of bonus on Post Office Cash Certificates, which under the system of accounting now in force is not shown under Section "O-Unfunded Debt". The fund was built up by providing in the Revenue-Budget under the head "22-Interest on Debt and other Obligations—Bonus on Post Office Cash Certificates" an amount sufficient to cover the calculated liability on account of bonus accruing during the year, the excess of the provision over the actual payment during the year being transferred to this fund by debit to revenue. When the actual payment during a year exceeds the provision in the budget for that year, the deficit is met by transferring the amount from the fund, that is, by debit to the fund and credit to revenue as reduction of charge under the service head mentioned above.

The estimated accrued liability on account of Bonus on Cash Certificates remaining undischarged on the 31st March, 1944 amounted roughly to Rs. 3,29,46,272.

Post Office Defence Savings Certificate Bonus Fund.—This fund has been created in the year 1942-43 on the lines of the Post Office Cash Certificate Bonus Fund. The estimated accrued liability on account of Bonus on Defence Savings Certificate at the close of the year 1943-44 amounted roughly to Rs. 16,45,466.

Central Road Fund	Cr. Rs. 2,60,55,813
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74. The head has been introduced for the adjustment of the additional revenue derived from the enhanced duties on motor spirit as a result of the recommendation of the Indian Road Development Committee. From the money accumulating under this head grants have been made to Provincial Governments and others for expenditure on any of the following objects, namely :—

- (i) on the construction of new roads and bridges of any sort ;
- (ii) on the reconstruction or substantial improvement of existing roads and bridges ;
- (iii) on the interest and amortisation of loans taken after the 21st April, 1934 but approved or sanctioned before the 5th March, 1937 and spent on the construction, reconstruction or substantial improvement of roads and bridges ;
- (iv) in special cases, on the maintenance of roads and bridges, constructed, reconstructed or substantially improved from the Road Account since 1930 ;

(v) in special cases, on the maintenance of roads and bridges constructed, reconstructed or substantially improved from loans approved or sanctioned by the Governor-General in Council after the 21st April, 1934 and

(vi) to meet charges including the cost of establishment connected with the control of motor transport and with the preparation of schemes of Road Development, or with the administration of provincial Boards of Communications.

This deposit head has also been debited with the cost of administering the Central Road Fund and the expenditure upon schemes for such research and intelligence and upon such special enquiries connected with roads and upon special grants-in-aid for such objects connected with roads as the Governor-General in Council has approved, these charges being met out of the portion constituting the reserve at the disposal of the Central Government. The amount at credit of this head on the 31st March, 1944, represents the undisbursed balance of the Central Road Fund held in deposit.

Sugar Excise Fund **Cr. Rs. 6,47,903**

75. An amount equivalent to one anna of excise duty per hundred-weight of sugar was originally set aside for the purpose of assisting the cultivators of sugarcane in securing fair prices for their cane. The funds were to be distributed only upon the submission of approved schemes by the Provincial Governments. With effect from 1st April, 1939 it has been decided that the first call upon this fund should be the requirements of the Imperial Institute of Sugar Technology, Cawnpore. Next, money is found for properly co-ordinated schemes of sugar research and cognate activities conducted by the Imperial Council of Agricultural Research. The balance is available for grants to Provincial Governments on schemes ancillary to the Imperial Council of Agricultural Research schemes designed to test the results of those schemes in particular areas. The amount set apart from the excise duty on sugar and the receipts of the Imperial Institute of Sugar Technology are credited to the fund and the amount of disbursements on account of grants to Provincial Governments and other authorised expenditure is debited to it.

With the formation of a Central Sugarcane Committee which has started functioning from December, 1944, the Central Government have decided to finance the Committee by making an outright payment to it out of the excise duty on white sugar produced in India. The committee will meet all the liabilities of the Fund and take over all its assets. The fund will be abolished with effect from the year 1945-46.

Sugar (Temporary Excise) Fund **Cr. Rs. 57,69,419**

76. The head has been opened in the accounts for 1943-44 to record the collections on account of duty realised under the sugar (Temporary Excise Duty) Ordinance, 1943.

Fund for the Relief of Groundnut Cultivators **Cr. Rs. 5,75,998**

77. This fund was created during the year 1941-42 for the relief of groundnut cultivators. This fund receives credits on account of amounts passed on by His Majesty's Government representing rebates from shippers of groundnuts, equal to the difference between the buying price of His Majesty's Government and the current market price of groundnuts purchased in the Indian market. The fund is controlled by the Government of India in the Commerce Department and utilised for the benefit of general body of groundnut cultivators.

Civil Aviation Fund **Cr. Rs. 1,24,885**

78. An amount equivalent to the additional duty on petrol consumed for aviation purposes is transferred as a block grant to this fund by debit to the head "44 Aviation—Appropriation to Civil Aviation Fund". The actual expenditure met from this Fund on account of grants-in-aid to flying clubs, and on the training of pilots, etc., is initially brought to account under "Special Grants-in-aid from the additional tax on petrol consumed for aviation purposes" subordinate to the major head "44-Aviation", and is ultimately transferred to this fund by book adjustment at the end of the year.

Panth Piploda Reserve Fund	Cr. Rs.	15,489
Panth Piploda Reserve Fund Investment Account ..	Dr. Rs.	14,938

79. *Panth Piploda Reserve Fund*.—This fund was opened in 1939-40 to record the balance of annual contributions for supervision charges recovered from the Thakurs of Panth Piploda in excess of actual requirements. A portion of the fund was invested in Government Securities and Postal Cash Certificates. The debit balance in the Investment Account represents the cost price of these investments. The interest realised on the investment is credited to the fund.

The acceptance of the balances is still awaited.

	Cr. Rs.
Fund for the Economic Development and Improvement of Rural Areas	9,28,523
Fund for the Development of Civil Aviation ..	32,28,042
Fund for the Development of Broadcasting ..	14,70,903
Fund for Special Frontier Expenditure including Development	91,76,170

80. These funds were created out of the revenue surplus which accrued to the Central Government at the close of the years 1934-35 and 1935-36 in order to finance certain measures of public utility.

Fund for the Economic Development and Improvement of Rural Areas.—The amount at credit of this fund is intended for distribution to the Provinces and centrally administered areas for expenditure on schemes for the amelioration of the condition of the cultivators and rural classes.

Fund for the Development of Civil Aviation.—This is intended for the development and organisation of air routes in India.

Fund for the Development of Broadcasting.—It provides a reserve for constructing a large transmitting station in Delhi and ultimately a similar new station at Madras, for improving and extending the existing stations at Calcutta and Bombay and provision of transmitters and receiving centres at other stations in India.

Fund for Special Frontier Expenditure including Development.—This is intended for the construction of roads in tribal areas in the North-West Frontier Province and for various schemes of economic development in those areas.

Fund for the benefit of cotton growers	Cr. Rs.	1,95,12,589
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81. This fund was created during the year 1941-42 out of the additional import duty imposed on raw cotton by Ordinance No. VIII of 1942. Expenditure from the fund will be on account of cost of purchases of cotton and for other measures undertaken by the Central Government for the benefit of cotton growers in India.

Depreciation Reserve Fund—Government Presses ..	Cr. Rs.	13,44,131
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82. This reserve fund is credited with depreciation calculated on the depreciated value of the plant, machinery and furniture in use in Government of India Presses as also with the residual book value of plant, machinery and furniture disposed of during the year. Appropriations from the Reserve are made to meet the cost of replacement of plant, machinery, etc. Acceptances of balances are awaited in three cases.

Renewals Reserve Fund—Defence Services Cr. Rs. 13,88,890

83. The details of this account are as follows :—

Military Accounts Officers on whose books the balances are borne.	Name of the Fund.				Total.
	Army Ordnance and Clothing Factories.	Dairy Farms.	Grass Farms.	Medical Store Depots and Work-Shops.	
(1)	(2)	(3)	(4)	(5)	(6)
	Rs.	Rs.	Rs.	Rs.	Rs.
North Western Army, Rawalpindi	..	35,302	1,09,912	..	1,45,214
Military Accounts, and Pensions, Lahore.	..	50,737	85,664	528	1,36,929
Southern Army, Poona ..	..	1,92,107	26,990	49,472	2,68,569
Central Command, Meerut ..	..	99,147	—280	..	98,867
Army Factory Accounts, Calcutta	7,39,311	..	..	..	7,39,311
Total	7,39,311	3,77,293	2,22,286	50,000	13,88,890

These reserves were established with the approval of the Secretary of State with the object of setting aside a certain sum annually to cover the wastage of capital assets such as plant, buildings and live and dead stock, in use in the quasi-commercial undertakings of the Army, and so to maintain their efficiency.

As stated in paragraph 72, all operations on these funds have been suspended from 1st April, 1939 for the duration of war in consequence of the financial arrangement reached between His Majesty's Government and the Central Government.

(C).—OTHER DEPOSIT ACCOUNTS.

84. This account is sub-divided into the following heads :—

	Dr. Rs.	Cr. Rs.
Deposits of Local Funds	(a) 5,66,345	87,11,684
Deposits of Branch Line Companies .. ..	..	92,211
Departmental and Judicial Deposits—		
Civil Deposits	(b) 1,130	18,61,93,190
Other Deposits .. ..	..	24,97,66,672
Other Accounts	(c) 10,94,377	40,69,56,437
Transactions connected with the War, 1939 .. ..	..	31,77,75,374
Total	16,61,852	1,16,94,94,968

(a) Represents investment in securities out of the balance under " Depreciation Reserve Fund, Vizagapatam Port " in Madras *vide* para. 86.

(b) Represents investment in the Post Office Savings Bank out of the balance under " Public Work Deposits " in the Punjab *vide* para 95.

(c) Represents investment in securities out of the balance under the head " Deposit Account of the Dangs " *vide* para 137.

Deposits of Local Funds Cr. Rs. 87,11,084

85. The details are:—

Funds. (1)	Central Revenues. (2)	Baluchis- tan. (3)	Madras. (4)	Bombay. (5)	Bengal. (6)	United Provin- ces. (7)	Punjab (8)	Bihar. (9)	Central Provin- ces and Berar. (10)	Assam. (11)	North West Frontier Province. (12)	Coorg. (13)	Total. (14)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
District Funds ..	94,908	..	..	..	..	..	..	..	..	..	..	25,427	1,20,333
Municipal Funds ..	77,661	2,98,847	..	..	..	..	..	..	..	..	..	19,373	3,96,081
Cantonment Funds ..	1,62,706	..	55,923	1,58,292	21,349	1,62,192	80,297	..	51,795	..	78,971	..	7,71,525
Town and Bazar Funds ..	8,622	2,53,504	..	..	..	..	..	..	..	17,011	6,009	..	2,85,113
Port and Marine Funds ..	..	..	18,12,566	..	4,874	..	..	..	..	..	..	..	18,17,440
Depreciation Reserve Fund, Vizaga- patam Port ..	..	..	5,66,904	..	..	..	..	..	..	..	..	..	5,66,904
Education Funds ..	349	..	..	..	..	..	..	..	..	..	..	..	349
Medical and Charitable Funds ..	61,353	..	..	..	..	..	..	1,48,260	..	..	..	..	2,09,316
Other Miscellaneous Funds ..	41,37,737	..	..	3,54,322	46,353	..	..	..	..	..	..	5,278	45,43,690
Total ..	45,43,337	5,52,351	24,35,393	5,12,614	72,576	1,62,192	80,297	1,48,260	51,795	17,011	84,980	50,278	(a) 87,11,084

(a) This represents gross balance out of which a sum of Rs. 5,66,343 has been invested in securities vide note against "Depreciation Reserve Fund, Vizagapatam Port" under para 83 below.

86. These are cash balances in the current accounts of local funds and other local authorities which are permitted to use the Government treasuries as their banks. Each fund has an administrator, either a public officer or a committee, and the verification consists, firstly, in reconciling the figures as between the broadsheets which are posted from the treasury *plus* and *minus* memoranda and the ledger and, secondly, in ascertaining how far the administrator accepts the balance standing at his credit on the Government books.

Districts Funds.—Acceptance certificates are awaited in Central Revenues.

Municipal Funds.—Acceptance certificates are awaited in Baluchistan.

Cantonment Funds.—Acceptance certificates are awaited in Central Revenues and in one case each in Bombay and the United Provinces.

Town and Bazar Funds.—Acceptance certificates are awaited in Baluchistan.

Port and Marine Funds.—The balances have been verified.

Depreciation Reserve Fund, Vizagapatam Port.—The balance under this fund is the gross balance out of which Rs. 5,66,345 has been invested in securities.

Education Funds and Medical and Charitable Funds.—The balances have been verified.

Other Miscellaneous Funds.—Acceptances of balances are awaited under Central Revenues.

Deposits of Branch Line Companies Cr. Rs. 92,211

87. The balance under this head is the net amount of the deposits with the Government made by branch line companies for capital expenditure on their lines.

The details are :—

Railways.—		Cr. Rs.	Railways		Cr. Rs.
Ahmedabad Parantij .. ..	..	2,234	Pachora Jamner .. ..	..	12,741
Baripada Talband .. ..	..	2,711	Sialkot-Narowal .. ..	..	3,393
Central Provinces and Pulgaon Arvi	..	7,570	Dhond Bharamati .. ..	..	2,852
Sara Sirajgunj .. ..	..	55	Mymensingh Bhairbbazar ..	..	3,673
Cooch Behar .. ..	..	5,380	Peraloam Karikkal .. ..	..	2,306
Cochin Harbour .. ..	..	2,130	Mandra Bhaun .. ..	..	3,993
Guzerat .. ..	..	5,292	Quilon Trivandrum .. ..	..	26,573
Jammu Kashmir .. ..	..	179	Pondicherry .. ..	..	490
Chakai-Thambanur Extension	..	333	Khulna Bagerhat .. ..	..	10,306
			Total .. ..	..	92,211

The above balance (*viz.*, Rs. 92,211) agrees with that shown in the books of the Companies. Certificates of acceptance are awaited in three cases.

Civil Deposits

88. The transactions brought to account under this head relate mainly to behalf of members

The following

Heads.	Central Revenues.	Supply Accounts, (Civil).	Food Accounts.	Baluchistan.	Madras.	Bombay.	Bengal.	United Provinces.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Revenue Deposits	16,54,389	..	..	2,81,500	13,78,812	8,82,001	35,66,524	2,43,378
Civil and Criminal Courts Deposits	3,12,802	17,138	..	1,88,344	2,11,318	..	..	..
Personal Deposits	11,25,455	..	..	7,19,658	78,21,635	3,06,99,080	4,07,50,754	5,97,443
Political Agents' Deposits	..	..	..	..	..	..	..	..
Shipping Masters' Deposits	..	..	..	..	99	3,42,532	33,359	..
Public Works Deposits	2,66,86,681	..	..	78,655	25,185	94,831	19,738	10,69,806
Forest Deposits	..	..	..	..	..	22,986	..	..
Supply Department Deposits	..	1,53,42,987	..	..	..	..	..	..
Food Department Deposits	..	..	15,76,795	..	..	..	..	..
Steel Deposits	..	1,66,382	..	..	..	..	..	..
Trust Interest Funds	5,160	..	..	..	9,822	..	17,460	300
Deposits of the Tea Cess Fund	..	..	..	..	1,81,361	84,171	4,17,610	..
Deposits of the Lac Cess Fund	..	..	..	..	2,125	—872	20,193	..
Deposits of the Cotton Cess Fund	..	..	..	..	3,768	13,874	843	..
Deposits of Coffee Cess Fund	..	..	..	..	20,108	16,626	4	..
Indian Research Fund	57,508	..	..	..	49	..	..	..
Unclaimed Provident Fund Deposits	5,124	195	..	..	49	3,239	14,765	2,779
Deposit account of railway freight for Kharagoda Salt	..	..	..	..	..	12,956	..	..
Deposits on account of Police Fund	—83,948	..	..	42,083	..	..	..	..
Deposits of fees received by Government servants for work done for private bodies	13,907	..	..	—116	3,405	658	4,355	1,317
Deposits on account of moneys received on account of the King Emperor's Anti-Tuberculosis Fund	..	..	..	..	..	15	..	..
Deposits of the surplus estates of deceased officers, deserters and others of the Indian Army	8,28,494	..	..	..	..	..	..	..

Cr. Rs. 18,61,93,190

sums deposited with Government in the daily course of public business by or on the public.

are the details :—

Punjab.	Bihar.	Central Provinces and Berar.	Assam.	North- West Frontier Province.	Orissa.	Sind.	Coorg.	Total.
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
2,02,928	2,74,133	1,44,207	1,89,327	2,06,521	4,970	9,61,241	82,274	1,00,72,205
..	9,790	7,39,302
4,39,568	43,559	77,549	1,03,71,815	9,02,581	4,223	27,06,363	105	9,63,19,783
..	19,866	..	..	..	19,866
..	3,283	..	3,79,273
5,715	..	2,69,775	..	..	..	..	30,803	2,82,81,189
..	22,086
..	1,53,42,087
..	15,76,795
..	1,66,382
6,523	28	13,705	..	..	..	..	606	53,604
..	41,765	..	7,24,907
..	21,446
200	3,767	..	22,461
..	36,738
..	57,557
..	..	170	10	273	..	..	..	26,613
..	12,956
..	—41,865
..	23,526
8,903	8,918
..	8,28,404

Heads.	Central Revenues.	Supply Accounts, (Civil).	Food Accounts.	Baluchis- tan.	Madras.	Bombay.	Bengal.	United Provinces.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Repatriation De- posits..	17,356	..	..	..	..	..	..	..
Deposits on account of revenue collect- ed on behalf of H. H. the Khan of Kalat ..	..	..	..	18,156	..	..	..	..
Deposits of money received for H. E. the Viceroy's War Purposes Fund	36,032	..	..	..	..	14,914	15,489	..
Deposits on account of money received for Indian Red Cross Society and St. John Ambulance Asso- ciation ..	762	..	..	..	73	29,340	61	..
Deposits for work done for Indian States, public bodies, or pri- vate individuals	..	..	..	..	..	..	..	..
Deposits of Defence Loans ..	26,51,078	..	..	..	79,17,811	..	..	22,08,165
Deposits on ac- count of money received for St. Dunstan's Hospi- tal for blinded soldiers, sailors and airmen ..	..	..	..	..	..	23	3	..
Companies' Liquida- tion Accounts ..	33,160	..	..	..	1,32,034	2,08,095	9,83,092	2,094
Provident Societies Liquidation Ac- count ..	12,759	..	..	..	..	55	16	..
Deposits obtained for lease/lend Stores ..	..	93,73,095	..	..	..	..	..	..
Deposits obtained on non-lease/lend (imported) Stores	..	28,09,822	..	..	..	..	..	..
Deposits against dollar payments made by the British Purchas- ing Commission, America ..	..	—1,43,171	..	..	..	..	..	..
Deposits on account of undisbursed pay of Govt. servants falling into enemy hands	..	..	..	..	..	..	152	..
Renewal Fees on G. P. Notes ..	..	..	..	..	..	..	..	3
Total ..	3,33,56,719	2,75,66,448	15,76,795	13,28,280	1,77,07,654	3,24,84,524	4,58,44,417	41,25,285

(a) It represents gross balance out of which a sum of Rs. 1,130 has been invested in the Post Office Savings

sits—concl'd.

Punjab.	Bihar.	Central Provinces and Bihar.	Assam.	North- West Frontier Province.	Orissa.	Sind.	Coorg.	Total.
(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
..	..	..	..	..	..	675	..	18,031
..	..	..	..	..	..	..	..	18,156
40,703	63,570	10,433	44,757	324	..	5,387	23,758	2,55,367
67,663	9,721	30,814	..	..	..	..	37	1,38,471
..	..	..	..	..	..	..	1,654	1,654
12,26,797	2,56,065	18,94,879	1,45,391	9,20,494	..	1,007	580	1,72,22,267
100	..	..	..	..	..	..	3,444	3,570
18,381	..	..	..	31	..	3,49,839	..	17,86,726
..	..	..	..	..	..	..	..	12,829
..	..	..	..	..	..	..	..	93,73,095
..	..	..	..	..	..	..	..	28,09,822
..	..	..	..	..	..	..	..	—1,43,171
..	..	..	..	..	..	..	..	152
..	..	..	..	..	..	..	..	3
20,17,490	6,47,076	24,41,532	1,07,51,309	20,50,090	9,193	41,33,327	1,53,051	(a)18,61,93,190

89. Revenue, Civil and Criminal Courts' Deposits are not kept distinct in the North West Frontier Province, where the whole of the civil work (Revenue, Judicial and Criminal) is in charge of the same Deputy Commissioner. A similar arrangement is also in vogue in some of the districts in the Punjab.

There are two entirely different systems of deposit accounts. The first may be called the detailed plan, in which every receipt is treated as a separate item and every payment charged against some particular receipt. The second is the ledger plan, that is, a running account is kept of receipts and payments on some particular account (an estate, an institution, etc.). For every Ledger Account there is an "Administrator", the person authorised to pay money into the treasury or draw it out. Deposits kept on the latter plan are termed Personal Deposits.

The verification of the balance on the first plan is as follows :—

The receipts and payments, which are recorded in detail in deposit registers, are posted monthly by totals into a proof sheet which provides columns for recording the repayments of deposits credited in the same year and in each of the three preceding years. At the end of the year, balances are struck upon the proof sheet separately for the different districts for each of the four years. The balance of the first year is usually written off the deposits account, as all balances unclaimed for more than three complete account years are ordinarily credited to Government. The aggregate balance on the proof sheet is then agreed with the balance on the general books of the class of deposits concerned and finally, reconciled with the *plus* and *minus* memoranda received from treasuries or, where necessary, with the accounts received from Civil and Criminal Courts. The verification of the ledger form of deposit account consists mainly in agreeing the balance with that claimed by the administrator.

Revenue Deposits Cr. Rs. 1,00,72,205

90. These are mainly deposits made in Revenue Courts or in connection with the revenue administration. They also include earnest money deposits made by intending tenderers for contracts, etc., in the Civil Departments. Deposits on account of Civil and Criminal Courts in the North-West Frontier Province are also included under this head.

The discrepancies between the ledger and broadsheet balances have been settled except Rs. 4,56,485 in Madras, Rs. 4,984 in the United Provinces and Rs. 616 in the Punjab.

Civil and Criminal Courts' Deposits Cr. Rs. 7,39,392

91. The ledger balance has been verified in accordance with the prescribed rules. The differences between the ledger and broadsheet balances have been settled except Rs. 10 in Baluchistan and Rs. 77 in Madras.

Personal Deposits Cr. Rs. 9,63,19,788

92. The transactions recorded under this head are of the nature of a banking deposit account. It has been certified that (i) personal ledger accounts were properly operated upon and none of them was overdrawn and (ii) that no such account was opened during the year except with the sanction of the competent authority. Certificates of acceptance of balances are awaited in six cases in Central Revenues, eight in Baluchistan, seventy-nine in Bombay, nine in the United Provinces, six in Madras, nineteen in Bengal, eighty in the Punjab, thirteen in North-West Frontier Province and fifty-five in Assam. The amounts of certificates are also under reconciliation in two cases in Madras. The discrepancies between the ledger and the proof sheet balances have been settled except Rs. 657 in Central Revenues, Rs. 6,49,543 in Baluchistan, Rs. 149 in Madras, Rs. 709 in the United

Provinces, Rs. 43,934 in the Punjab. In Assam; the wanting certificates of acceptance relating to the year 1942-43 are still awaited. The matter is under investigation with the Deputy Commissioner, Naga Hills.

Political Agents' Deposits Cr. Rs. 19,866

93. This deposit head is intended for the record of receipts coming into the hands of the Political Agents and Deputy Commissioners in the North-West Frontier Province administering tribal areas for disbursement to tribes, which prior to the abolition of certain irregular funds were kept out of Government accounts.

Shipping Masters' Deposits Cr. Rs. 3,79,273

94. The deposits of unpaid wages of discharged seamen, wages and effects of deceased seamen, and unclaimed wages and deposits of seamen not deceased are recorded under this head. The difference between the ledger and broadsheet balances in Bombay is under verification.

Public Works Deposits Cr. Rs. 2,32,81,189

95. The cash deposits from subordinates and contractors as security, deposits for works to be done for private persons and public bodies, sums due to contractors on closed accounts and unclassified items of miscellaneous receipts awaiting clearance are adjusted under this head. The amount represents the gross balance out of which a sum of Rs. 1,130 in the Punjab has been invested in the Post Office Savings Bank.

The difference of Rs. 2,374 between the ledger and the broadsheet balances in the Punjab is under reconciliation.

Forest Deposits Cr. Rs. 22,936

96. This represents amounts held in deposits by the Forest Officers in the Dangs area in Bombay.

Supply Department Deposits Cr. Rs. 1,53,42,987

97. The balance represents the amount deposited by private indentors for purchase of stores under Lease/Lend arrangements. The difference of Rs. 1,26,97,230 between the ledger and the broadsheet balances is under settlement.

Food Department Deposits Cr. Rs. 15,76,795

98. It represents (i) amounts deposited by contractors as security deposit (ii) residual balance of the deposit made by the Ceylon Government for the purchase of foodgrains and (iii) share of surcharge levied on food grains which is payable to agents.

Steel Deposits Cr. Rs. 1,66,382

99. The balance represents amount deposited in advance by indentors in respect of steel purchased in the United States of America.

Trust Interest Funds Cr. Rs. 53,604

100. The balance under this head represents mainly the amount of the interest payment orders issued in connection with the payment of interest on Government securities held in trust remaining unpaid on 31st March, 1944. The differences between the ledger and broadsheet balances amounting to Rs. 179 in Central Revenues, Rs. 210 in Madras and Rs. 40 in Coorg are under settlement. Certificates of acceptance of balance are awaited in eight cases in Madras and one case in Bihar.

Deposits of the Tea Cess Fund Cr. Rs. 7,24,907

101. The customs duty levied and collected on all tea produced in India and exported from any customs port to any port beyond the limits of British India under the Indian Tea Cess Act (IX of 1903) and payments made to the Indian Tea Market Expansion Board on that account are recorded under this head.

Deposits of the Lac Cess Fund Cr. Rs. 21,446

102. This head embraces receipts on account of customs duty levied under the Indian Lac Cess Act (XIV of 1921) and payments thereof to the Indian Lac Association for research. The debit balance under Bombay will be adjusted against recoveries during 1944-45.

Deposits of the Cotton Cess Fund Cr. Rs. 22,461

103. Under this head are recorded the receipts in respect of cess levied and collected on all cotton produced in India and either exported from any customs port to any port outside British India or consumed by any mill in British India under the Indian Cotton Cess Act (XIV of 1923) and payments thereof to the Cotton Cess Committee. A difference of Rs. 526 between the ledger and proof sheet balances in Madras is under settlement.

Deposits of the Coffee Cess Fund Cr. Rs. 36,738

104. The cess collected under the Indian Coffee Cess Act (XIV of 1935) on all coffee produced in India and taken by sea or land to any place beyond the limits of British India for the promotion of the cultivation, manufacture and sale of Indian coffee and payment thereof to the Coffee Cess Committee are recorded under this head.

Indian Research Fund Cr. Rs. 57,557

105. This head is intended to record the transactions of the Indian Research Fund Association. Under Central Revenues the amount includes the balances under the sub-heads *viz.*, (i) Indian Research Fund Association (Rs. 3,262) and (ii) Indian Research Fund Association Contributory Provident Fund (Rs. 54,246). Acceptance certificates are awaited. A difference of Rs. 716 between the ledger and broadsheet balances is under settlement.

Unclaimed Provident Fund Deposits Cr. Rs. 26,613

106. The balance represents the amounts in the General, Contributory and Defence Savings Provident Funds remaining unclaimed for a period exceeding six months after they become payable under the rules. These unclaimed amounts are transferred to this head at the end of each year.

Deposit Account of Railway Freight for Kharagoda Salt Cr. Rs. 12,956

107. The money received from contractors in respect of removal of salt from Kharagoda is credited to this head and the debits raised by the Railways on account of freight charges are met from these credits.

Deposits on account of Police Fund Cr. Rs. —41,865

108. Acceptances of balances are awaited. Under Central Revenues, the debit balance is due to expenditure having been incurred in excess of allotment, which is being regularised in 1945-46.

Deposits of fees received by Government Servants for work done for private bodies Cr. Rs. 23,526

109. Fees received by Government servants for work done for private bodies of which a share is payable to the Government servants concerned are credited to this head in the first instance and subsequently adjusted. The debit balance in Baluchistan is under reconciliation.

Deposits on account of moneys received on account of the King Emperor's Anti-Tuberculosis Fund .. Cr. Rs. 8,918

110. This deposit head accommodates receipts at treasuries on account of the King Emperor's Anti-Tuberculosis Fund pending remittance to the authorities concerned.

Deposits of the surplus estates of deceased officers, deserters and others of the Indian Army Cr. Rs. 8,28,494

111. The balance agrees with that in the separate register maintained for the purpose.

Repatriation Deposits Cr. Rs. 18,031

112. This is a temporary minor head opened to accommodate deposits from the British Indians residing in Iraq.

Deposits on account of revenue collected on behalf of
H. H. the Khan of Kalat Cr. Rs. 18,156

113. The balance has been verified. Certificate of acceptance is awaited.

Deposits of money received for His Excellency the
Viceroy's War Purposes Fund Cr. Rs. 2,55,367

114. The contributions to the Viceroy's War Purposes fund are credited to this head pending remittance to the administrator of the fund. The discrepancies of Rs. 313 in the Punjab and Rs. 370 in Bihar are under settlement.

Certificates of acceptance of balances are awaited in three cases in Bengal and two cases in Bihar.

Deposits on account of money received for Indian Red
Cross Society and St. John Ambulance Association Cr. Rs. 1,38,471

115. The accounts mentioned in this paragraph and in paragraph 114 were opened for the reception of contributions towards these Funds at places where there are no branches of the Imperial Bank of India. The discrepancy of Rs. 392 in Bihar between the ledger and proofsheets balances is under settlement. Certificate of acceptance of balances is awaited in one case in Bihar.

Deposits for work done for Indian States, public bodies
or private individuals Cr. Rs. 1,654

116. The sums received in advance from Municipalities or other bodies financially independent of Government for payment of compensation for land acquired for them as well as amounts deposited by Indian States for survey work to be done by Government officers in the States are credited under this sub-head.

Deposits of Defence Loans Cr. Rs. 1,72,22,267

117. The cash credits on account of Defence loans are adjusted under a deposit head pending their adjustment in the books of the Accountant General, Central Revenues, under the respective loan heads under "Section N" after reconciliation of the amount reported by the Bank with the corresponding amounts brought to account in Government books.

The entire balance is being cleared in the accounts for 1944-45.

Deposits on account of money received for St. Dunstan's
Hospital for blinded soldiers, sailors and airmen .. Cr. Rs. 3,570

118. The balance has been agreed with that in the proof sheet.

Companies Liquidation Accounts Cr. Rs. 17,86,726

119. This head has been opened for unclaimed dividends or undistributed assets pertaining to the Companies in official or voluntary liquidation under the Indian Companies Act remaining unclaimed for a period of six months.

The differences between the ledger and the proof sheet balances amounting to Rs. 4,226 in Madras, Rs. 430 in the United Provinces and Rs. 306 in the Punjab are under adjustment in the accounts for 1944-45.

Provident Societies Liquidation Accounts Cr. Rs. 12,829

120. The deposits received by the Superintendent of Insurance from the Liquidator of Provident Societies under the Insurance Act of 1938 are recorded under this head.

Deposits obtained for lease/lend stores Cr. Rs. 93,73,095

121. This head embraces deposits by private indentors for stores purchased for them under the Lease and Lend arrangement.

Deposits obtained on non-lease/lend (imported) stores.. Cr. Rs. 28,09,822

122. The balance represents deposits received from private parties for stores purchased from overseas countries.

Deposits against dollar payments made by the British

Purchasing Commission, America Cr. Rs. —1,43,171

123. This head is intended to record payments for purchases of steel in America for which funds are at present not required to be transferred from India. The minus balance is due to the fact that certain debits have yet to be passed on to the parties concerned to whom American steel has been supplied after tracing the stores. On receipt of consignees' acknowledgments the whole amount will be adjusted by credit to the head.

Deposits on account of undisbursed pay of Government

servants falling into enemy hands Cr. Rs. 152

124. It represents the undisbursed pay of certain staff of the Rangoon Light House, who fell into enemy hands.

Other Deposits Cr. Rs. 24,97,66,672

125. These comprise the deposits on the books of the Non-Civil Accounts Officers: the details of which are as follows :—

	Cr. Rs.		Cr. Rs.
Posts and Telegraphs Deposits ..	1,80,09,087	State Railway Deposits	3,96,17,281
Defence Services Deposits ..	19,21,23,300	Trust Interest Account (Railways)	17,094
		Total ..	24,97,66,672

Posts and Telegraphs Deposits Cr. Rs. 1,80,09,087

126. The details are :—

	Cr. Rs.		Cr. Rs.
Dead Savings Bank Accounts ..	1,88,26,311	Unclaimed Savings Bank deposits of less than Rs. 2 ..	10,50,871
Unclaimed Provident Fund Deposits	80,503	Other items ..	38,57,276
Trust Interest Accounts ..	2,452		
Foreign Money Orders ..	—58,68,026	Total ..	1,80,09,087

Dead Savings Bank Accounts.—Savings Bank Accounts in which no transactions have taken place for a specified period are transferred to a separate ledger called "Dead Savings Bank Ledger". The amount outstanding therein does not lapse to Government but is retransferred to the current Savings Bank Ledger when the account is revived on the application of the depositor.

Unclaimed Provident Fund Deposits.—The balance under this head represents the amounts in the Provident Funds remaining unclaimed for a period exceeding six months after they become payable under the rules. These unclaimed amounts are transferred to the head “Deposits” at the end of each year.

Trust Interest Accounts.—The balance represents the interest on Government securities held on behalf of Posts and Telegraphs employees and contractors remaining unpaid at the close of the year under report.

Foreign Money Orders.—The debit balance represents net transactions on account of money orders exchanged with foreign countries.

Unclaimed Savings Bank Deposits of less than Rs. 2.—Due to certain amendments to the Savings Bank rules with effect from 1st August, 1940, the Savings Bank accounts having balances of less than Rs. 2 on 31st July, 1940 have been treated as dead and the balances remaining unclaimed have been transferred at the end of 1940-41 to this minor head specially opened for the purpose. Any future claims of the depositors of these accounts will be met from the balances outstanding under this head. The difference of Rs. 3 between the ledger and the subsidiary register balances is under settlement.

127. *Other Items.*—The balance is composed of :—

	Cr. Rs.		Cr. Rs.
Fixed Deposits	6,84,825	Indian Postal Orders ..	2,46,244
Trunk Call Deposits	20,041	Miscellaneous ..	29,08,466
		Total ..	38,57,276

Fixed Deposits.—The balance under this head includes deposits made by firms presses and other bodies and individuals for telegrams sent on the Deposit Account System. Under this system a deposit of an amount approximately equivalent to the cost of telegrams for a specified period is made by the parties concerned and the telegrams sent daily are accepted by the Telegraph Offices without prepayment. The actual cost of the telegrams sent during a period is recovered by the department by presentation of bills. The deposit thus serves as a security against acceptance of telegrams without prepayment. Under this head are also included deposits made by holders of Post Boxes for locks and keys supplied to them. These deposits are paid back to the parties when the service ceases.

Trunk Call Deposits.—Telephone subscribers, who are not Government officials, used to be required to make a deposit to enable them to make calls over the Trunk Telephone lines from their telephones. This system has, however, been suspended as an experimental measure from the 1st October, 1936 except in certain special cases, and the deposits held at the time are being adjusted against trunk call bills. The amount represents balance of these deposits at the end of the year under review.

Indian Postal Orders.—The balance represents the difference between receipts and payments in respect of Indian Postal Orders issued during 1943-44.

Miscellaneous.—The balance under this head is made up of a number of miscellaneous accounts such as excess credits in the cash accounts, miscellaneous deposits not coming under any other category, balance of British penny postage stamps held in stock, short payments or recoveries of wrong payment of money orders, customs duty on foreign mail parcels, defence savings stamps, fine fund, cash certificates short payments, etc., and undrawn pay of officers and men in the field.

Defence Services Deposits Cr. Rs. 19,21,23,300

128. The particulars are detailed below :—

Military Accounts: Officers on whose books the balances are borne. (1)	Name of the Deposits.			Trust Interest Account. (5)	Troops Amenities Fund. (6)	Miscellaneous. (7)	Total (8)
	Security Deposits. (2)	Unclaimed Provident Fund Deposits. (3)	Field Deposits. (4)				
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
North Western Army, Rawalpindi.	5,44,493	..	..	..	..	93,85,409	99,29,902
Military Accounts and Pensions, Lahore.	21,71,783	22,284	6,35,616	340	—45,672	47,66,758	75,51,109
Southern Army, Poona ..	14,01,378	..	29,411	7	..	44,33,937	58,67,733
Central Command, Meerut	12,25,789	65	5,85,843	..	..	3,62,984	22,04,681
Air Forces, Ambala ..	..	..	..	..	..	2,06,176	2,06,176
Army Factory Accounts, Calcutta.	5,45,618	13,054	..	1,188	..	5,28,375	10,88,235
Naval Accounts, Bombay	49,516	1,492	1,96,239	..	..	14,53,075	17,00,322
Supply Accounts, Defence Delhi.	41,32,387	..	..	..	..	65,948	41,98,335
Field Accounts, Poona ..	1,757	..	15,08,86,769	..	..	38,42,034	15,47,31,451
Eastern Command, Patna	31,08,591	..	..	14	—287	15,40,303	46,48,621
British Troops' Accounts, Meerut.	..	..	—3,194	..	..	—71	—3,265
Total ..	1,31,84,312	39,895	15,23,30,675	1,549	—45,959	2,66,15,828	19,21,23,300

Security Deposits.—The balances under this head represent mainly the security deposits received in cash from contractors and others by the officers of the Defence Department. A difference of Rs. 17,144 under Supply Accounts (Defence) is under reconciliation. Under Central Command the balances are under reconciliation in the often Military Engineer Services formations.

Unclaimed Provident Fund Deposits.—The balance represents the amounts credited to the General Provident Fund and other Miscellaneous Provident Fund of the employees of the Defence Department but remaining unclaimed for a period exceeding six months.

Field Deposits.—The balances represent the net result of credit and debit balances standing to the credit of officers and personnel serving overseas on War System of Accounting. The difference of Rs. 17,493 between the broadsheet and the individual running ledger accounts under Field Accounts, Poona is under adjustment during 1944-45.

Trust Interest Account.—The balances under this head represent the undisbursed amount of interest due to contractors on their deposits.

Troops Amenities Fund.—This head is credited with the sums sanctioned from time to time from the Defence Services Estimates, according to the requirements of the amenities for Troops Directorate and by contribution from His Excellency the Viceroy's War Purposes Fund. The debit balances in each of the accounts are being readjusted in 1944-45.

Miscellaneous.—The balances under this head include (i) outstanding credits pertaining to unadjusted amount of sale of coupons in Dairy Farms, (ii) amounts due to contractors on closed account, (iii) closing balances of stock purchases, (iv) deposits of contribution works to be done for local bodies, etc., (v) earnest money deposits, (vi) imprest cash advances made by the Air Ministry Pay Masters to Indian Forces Overseas and cash advances by District Treasurer, Nairobi, to imprest holders pending receipt of debits, (vii) treasure chest deposits and (viii) other miscellaneous deposits. Under Central Command, Meerut, the ledger balances are under reconciliation in the case of seven Military Engineer Services formations.

State Railways Deposits Cr. Rs. 3,96,17,281

129. The details are:—

Classified heads.	State Railways Capital.	State Railways Revenue.	Total.
(1)	(2)	(3)	(4)
	Rs.	Rs.	Rs.
1. Security deposits of subordinates	290	12,33,120	12,33,410
2. Security deposits of contractors and others	4,82,275	94,13,575	98,95,850
3. Deposits for work done for private persons and public bodies.	64,557	16,23,358	16,87,915
4. Unpaid wages	20,776	18,00,855	18,21,631
5. Sums due to contractors on closed accounts .. .. .	..	1,39,675	1,39,675
6. Net earnings on worked lines .. .. .	..	1,00,29,030	1,00,29,030
7. Private companies .. .. .	..	—10,32,065	—10,32,065
8. Miscellaneous	6,60,928	1,51,80,907	1,58,41,835
Total	12,28,826	3,83,88,455	3,96,17,281

130. *General Remarks.*—The balance under “Private Companies” is under clearance or acceptance by the parties concerned. The reconciliation of balances with the General books has been complete except on the North Western and Great Indian Peninsula Railways, where a few items are still under review. There was a difference of Rs. 111 under the sub-head “Miscellaneous” on the books of the North Western Railway which is being adjusted in the accounts for 1944-45.

Nine cases of misclassification detected during test audit have resulted in a net excess credit of Rs. 5,64,187.

Trust Interest Account (Railways) Cr. Rs. 17,004

131. The balance under this head represents interest received on the Government Promissory notes of the contractors, which was not paid to them before the close of the year under report. The amount is being cleared in the accounts for 1944-45.

Figure 3:

132. The details of the balances in the various deposit accounts under this head are as follows:—

[illegible]

Subventions from Central Road Fund Cr. Rs. 13,41,458

133. This head is credited with subventions made from the Central Road Fund to Minor Administrations under the Central Government and in the tribal areas in the North-West Frontier Province for expenditure on approved schemes of road development and other objects mentioned in paragraph 74 and is debited with expenditure met from these grants. The balances under this head represent the amounts of the allotments from the Central Road Fund not spent on road development schemes, etc., to end of the year. Certificates of acceptances are awaited under Central Revenues.

Deposit Account of grants for Economic Development and Improvement of Rural Areas Cr. Rs. —415

134. The above head is credited with grants from the fund for the Economic Development and Improvement of Rural Areas, to centrally administered areas to be spent on schemes for the amelioration of the conditions of the cultivators and the improvement of rural areas. The debit balance under Central Revenues is due to expenditure having been incurred from the fund prior to receipt of deposit from the Reserve fund. Certificates of acceptance of balance are awaited in one case each in Central Revenues and the Punjab.

Deposit Account of the grant made by the Imperial Council of Agricultural Research Cr. Rs. —33,204

135. This head records transactions connected with grants received from the Imperial Council of Agricultural Research for expenditure on schemes of agricultural research and other allied objects. The debit balance under Central Revenues is due to expenditure having been incurred prior to receipt of deposit from the Imperial Council of Agricultural Research. Acceptances of balances under Central Revenues are awaited.

Deposit Account of grants from the Central Government for the development of handloom industries .. Cr. Rs. 3,843

136. The balance under this head represents the unspent amount of the grants made by the Central Government. Certificate of acceptance is awaited under Central Revenue.

Deposit Account of the Dangs Cr. Rs. 23,60,245

137. The receipts and payments connected with the administration of the Dangs area in Surat District in Bombay are accounted for under this head in the books of the Accountant General, Bombay.

Out of the balance under this account, a sum of Rs. 10,94,377 has been invested in securities.

Deposit Account of Excess Profits Tax refundable to assesses under the Indian Finance Act, 1942 .. Cr. Rs. 3,42,30,942

138. Under Section 10 of the Indian Finance Act, 1942, in addition to the amount of excess profits tax imposed by Section 4 of the Excess Profits Tax Act, 1940, a further sum not exceeding one-fifth of the amount of the said excess profits tax may be deposited with the Central Government. The amount deposited by the assesses is repayable with simple interest at the rate of 2 per cent. per annum. A further sum not exceeding one-tenth of the excess profits tax paid or one-half of the amount deposited, whichever is less, is payable to each depositor. With a view to avoid any large debit to the revenue budget in a single year, it has been decided that in each year, the requisite amount to meet the additional payments is to be set aside by a reduction in revenue and credit to the above minor head. The necessary adjustment on account of the transfer mentioned above is made by the Auditor General of India at the end of the year.

Account of payment in respect of Provisional Assessment of Excess Profits Tax made under Section 14-A of Excess Profit Tax Act, 1940

Cr. Rs. 21,12,08,568

139. This head has been opened during the year 1943-44 to accommodate the amount of provisional assessment of excess profits tax made under Section 14A of the Excess Profits Tax Act, 1940, as introduced by clause 3 of Ordinance No. XVI of 1943. The tax assessed will not be credited to revenue immediately on collection but will be kept separate and adjusted against the tax determined on final assessment. Any amount collected in excess will be refunded to the assesseees with interest at 5 per cent. per annum. Any deficiency in the amount collected will be recovered from assesseees in the ordinary course after final assessment has been made. The discrepancy of Rs. 51,641 between the ledger and the broadsheet balances in Bombay is under settlement. Certificate of acceptance is awaited in the United Provinces.

Deposit account of interest on Excess Profits Tax Deposits **Cr. Rs. 15,32,994**

140. It represents amount of interest accrued during the years 1942-43 and 1943-44 on optional deposits made under Section 10 of the Indian Finance Act, 1942 (Rs. 12,03,671) and on compulsory deposits made under Section 2 of Ordinance No. XVI of 1943 (Rs. 3,92,323) as described in paragraphs, 63 and 64. Necessary adjustment on account of the transfer is made by the Auditor General of India at the end of the year.

Deposit account of Central Surcharge funded for the benefit of assesseees under the Indian Finance Act, 1942 **Cr. Rs. 35,64,482**

141. It represents adjustment of the Central Surcharge funded for the benefit of assesseees under Section 8 (7) of the Indian Finance Act, 1942. Necessary adjustment on account of the transfer is made by the Auditor General of India at the end of the year.

Deposit account of the grants made for the benefit of cotton growers **Cr. Rs. 447**

142. This head records transactions connected with the grants made by the Central Government from the Fund for the benefit of cotton-growers, to the Centrally Administered areas for expenditure on schemes undertaken by the Central Government. The amount represents the unspent balance of the grant after meeting the expenditure during the year.

Deposit account of the grant made by the Indian Central Cotton Committee **Cr. Rs. 4,074**

143. This head records the transactions relating to the grants made to Baluchistan Administration by the Indian Central Cotton Committee for furtherance of agricultural schemes and other allied objects.

Certificate of acceptance of balance is awaited.

Deposit in connection with purchase of Egyptian Cotton **Cr. Rs. 3,08,960**

144. The deposits made by the importers of Egyptian cotton are recorded under this head.

Deposit Account of Khasi Hill States **Cr. Rs. 91,589**

145. The Khasi Hill States are administered on behalf of the Crown Representative by the Governor of Assam as Agent of the Crown Representative under the provisions of Section 287 of the Government of India Act, 1935. All receipts and expenditure in connection with the administration of these States including any grant-in-aid are accounted for under this deposit head.

Deferred pay to Indian Troops Cr. Rs. 9,24,57,864

146. Under military regulations, Indian soldiers and non-combatants (enrolled) are entitled to "deferred pay." This deferred pay as the term implies will not be paid to the men along with their monthly pay and allowances but the accumulated amount earned by them during their service will be paid to them on promotion to the Viceroy's Commissioned Rank, discharge, retirement, etc., from service. It was decided during the year 1942-43 that the liability of deferred pay earned should be discharged concurrently and as a result the amount of deferred pay earned is charged to Defence Services accounts annually by *per contra* credit to this deposit head. The actual payments to the men are debited to this deposit head.

Post War Reconstruction Fund Cr. Rs. 5,79,99,000

147. For the purpose of financing schemes for the welfare of Indian soldiers and non-combatants (enrolled) the Central Government have sanctioned the institution of a fund, called "Post War Reconstruction Fund" with effect from the 1st April, 1942. This fund will be built up by Government contribution at the rate of Rs. 24 per combatant soldier and Rs. 12 per non-combatant (enrolled) per annum and the total annual contribution will be debited to Defence Services accounts and credited to this deposit head. All expenditure connected with the Post-war welfare scheme will be met from this deposit head.

Balance of Coorg Cr. Rs. 13,85,790

148. The outstanding amount under this head represents the balance of the Government of Coorg in deposit with the Central Government on the 31st March, 1944.

Transactions connected with the War, 1939

.. Cr. Rs. 31,77,75,374

149. The following are the details :—

Classified heads.	Central Revenues.	Madras.	Bombay.	Central Provinces and Berar.	Total
(1)	(2)	(3)	(4)	(5)	(6)
	Rs.	Rs.	Rs.	Rs.	Rs.
War Risks (Goods) Insurance Fund.	15,85,75,811	..	..	..	15,85,75,811
War Risks (Factories) Insurance Fund.	15,86,59,024	..	..	..	15,86,59,024
War Injuries (compensation) Insurance Fund.	5,22,279	..	..	..	5,22,279
Deposits for relief of distress of Indian British Subjects in enemy countries.	2,987	..	2,642	135	5,764
Deposits on account of enemy property.	..	12,496	..	..	12,496
Total ..	31,77,60,101	12,496	2,642	135	31,77,75,374

War Risks (Goods) Insurance Fund Cr. Rs. 15,85,75,811

150. This was established under Section 9 of the War Risks (Goods) Insurance Ordinance, 1940 in connection with goods insurance scheme put into operation by the Central Government from the 1st October, 1940 in accordance with the provisions of Section 5 of the Ordinance. All sums received by the Central Government by way of insurance premium under the War Risks Insurance Schemes are credited to this head.

War Risks (Factories) Insurance Fund Cr. Rs. 15,86,59,024

151. The fund was established under Section 7 of the War Risks (Factories) Insurance Ordinance, 1942 for the purpose of factories insurance scheme put into operation by the Central Government from the 1st April, 1942 in accordance with the provisions of Section 3 of the Ordinance. All receipts by way of insurance premium are credited and all liabilities under the scheme are charged to this head.

War Injuries Compensation Insurance Fund. .. Cr. Rs. 5,22,279

152. The fund was established under Section 6 of the War Injuries (Compensation Insurance) Act, 1943 in connection with the War Injuries Compensation Insurance Scheme. All sums received by the Central Government by way of insurance premium under the scheme and all liabilities incurred thereunder are adjusted under this head.

Deposits for relief of distress of Indian British Subjects

in enemy countries Cr. Rs. 5,764

153. The balance has been verified.

Deposits on account of enemy property Cr. Rs. 12,496

154. The amount was erroneously adjusted under this head. It has been re-adjusted during 1944-45.

PART III.—ADVANCES NOT BEARING INTEREST.

155. The classes of transactions included under this group are the following :—

Major Heads. (1)	India.		England.
	Dr.	Cr.	Dr.
	(2)	(3)	(4)
	Rs.	Rs.	£
Advances Repayable	23,78,83,734	..	1,311
Permanent Advances (Civil and Posts and Telegraphs) ..	9,13,601	..	..
Accounts with His Majesty's Imperial Government ..	..	..	6,995
Accounts with Foreign Governments and Indian States ..	1,57,52,858	..	..
Accounts with the Government of Burma .. .. .	..	40,57,059	..
Accounts with the Burma Railway Board .. .. .	..	5,066	..
Accounts with the Reserve Bank	13,69,860	..	..
Coinage Accounts	9,56,94,666	..	..
Total ..	35,16,14,719	40,62,125	8,306
Net Dr. ..	34,75,52,594		

Advances Repayable (India) Dr. Rs. 23,78,83,794

156. The following are the details :—

Heads of Accounts.	(1)	(2)	Central Reve- nues.	(3)	Supply Accounts (Civil).	(4)	Food Accounts.	(5)	Baluchistan.	(6)	Madras.	(7)	Bombay.	(8)	Bengal.	United Pro- vinces.	(9)	Punjab.	(10)	Bihar.	(11)	Central Pro- vinces and Berar.	(12)	Assam.	(13)	North- West Frontier Pro- vince.	(14)	Orissa.	(15)	Sind.	(16)	Coorg.	Total.	(18)
Civil Advances—		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.		Rs.
Objection Book		2,48,257		64,577	1,484	7,183		22,883		86,252		1,57,743		1,57,743		31,377		2,61,832		18,655		2,72,541		20,350		2,141		20,244		16,897		78		12,38,500
Advances.		20,605			21,298		27,260		—56,740		—56,740		..		8,611		..		877			175		22,084
Other Advances ..		3,97,432		2,30,29,661	..	81,740		2,18,945		1,48,72,088		23,575		23,575		—457		0,000		978			2,26,824		82,495		..		5,514		3,89,50,773
Special Advances		840		..	..	—59		..		3		..		..		..		..		..		..		..		45		..		..	1,041		1,870
Forest Advances	
Revenue Advances—		
Advances for Survey operations.		
Salt and Excise Advances.		
Total ..		6,67,134		2,30,94,238	1,184	88,870		2,07,232		1,49,85,581		1,62,916		1,62,916		30,920		2,76,443		19,927		2,73,418		26,350		2,29,010		1,02,739		16,897		6,808		4,02,45,693
Advances Recoverable—		
Posts and Tele- graphs.		20,32,730	
Defence	
GRAND TOTAL		23,78,83,734	

157. *Civil Advances*.—These include (i) various special accounts of large advances or of recurring outlay which are recoverable from different sources and (ii) a number of petty miscellaneous advances arising in the course of business and recoverable within a short time. The former are usually watched through separate accounts working up to the ledger; the latter pass only as a single account upon the ledger, but are recorded in detail in the Objection Books through which the recoveries are watched. In the latter case the ledger balance has to be agreed with the aggregate of the details in the "Objection Books" and in the former, similar reconciliation is necessary in those cases in which different classes of transactions are included in the same account.

Objection Book Advances **Dr. Rs. 12,38,500**

158. The ledger balances against this head are agreed with those shown in the broadsheets maintained in the Civil Accounts Offices and, therefore, with the aggregate of the items recorded as outstanding in the Objection Books. The discrepancies between the ledger and the broadsheet balances have been settled except Rs. 20,238 in Central Revenues, Rs. 28,871 in Supply Accounts (Civil), Rs. 6,434 in Baluchistan, Rs. 23,238 in Madras, Rs. 73 in Bombay, Rs. 3,375 in the United Provinces, Rs. 1,453 in the Punjab, Rs. 1,547 in Bihar, Rs. 2,416 in the Central Provinces, Rs. 432 in Assam and Rs. 157 in Sind. In Bengal, the work of reconciling the ledger balances with those of the broadsheets is in progress.

Two sums of Rs. 26 and Rs. 6 were written off under Central Revenues as irrecoverable in the accounts for 1943-44.

Other Advances **Dr. Rs. 22,084**

159. The outstandings under this head represent the balance of various advances for departmental and other purposes.

The outstandings are either verified with separate accounts maintained in Civil Accounts Offices or agreed with the detailed statements received from the officers holding such advances. Certificates of acceptance of balances are awaited in one case in the Punjab and eleven cases in the Central Provinces. The credit balance under Bengal is due to some erroneous adjustments which have been rectified in the accounts for 1944-45.

Special Advances **Dr. Rs. 3,89,50,773**

160. This head records advances granted to Government officers and others under special orders of Government. The differences between the ledger and the broadsheet balances have been settled except Rs. 14,292 under Central Revenues, Rs. 3,577 in Madras and Rs. 186 in Bihar. Certificates of acceptance of balances are awaited in six cases in Bihar and one case in Supply Accounts (Civil). The credit balance under United Provinces is under adjustment. Certificates of acceptance are awaited in two cases under Central Revenues.

Forest Advances **Dr. Rs. 1,870**

161. The balance represents the amount remaining undisbursed on the 31st March, 1944, out of the amount advanced to subordinate officers of the Forest Department.

The difference of Rs. 59 between the balance in the ledger and that in the separate register in Baluchistan is under settlement.

Advances for Survey Operations **Dr. Rs. 32,338**

162. The balance under this head represents the amounts of outstanding advances for expenditure on surveys which are recoverable from private owners and

other parties. The outstanding balance is in course of adjustment in the accounts for 1944-45.

Salt and Excise Advances **Dr. Rs. 128**

163. The balance under this head represents amounts recoverable on account of Salt Storage Works. Certificate of acceptance of balance is awaited in one case in Madras.

Advances Recoverable—Posts and Telegraphs **Dr. Rs. 20,32,730**

164. The balance is composed of :—

	Dr.
	Rs.
(i) Objection Book Advances	12,54,296
(ii) Overpayments on Money Orders	5,21,310
(iii) Cash Certificates, Defence Savings Certificates and National Savings Certificates—Overpayments	501
(iv) Customs duty on foreign mail articles	1,63,554
(v) Excess debit or short credit of Customs duty realisation	2,229
(vi) Miscellaneous	90,840
Total	20,32,730

There was a difference of Rs. 3,842 between the aggregate of the ledger balances and that of the separate accounts maintained in the audit offices. A sum of Rs. 62,240 involving 1,352 cases was written off during the year under report.

Item (i) *Objection Book Advances* represents mainly amounts of pay bills of Railway Mail Service offices remitted for disbursements and the outstanding advances of pay and travelling allowances granted to officials at the time of their transfer.

Items (ii) *Overpayments on Money Orders*, (iii) *Cash Certificates, etc., overpayments and* (v) *Excess debit or short credit of Customs duty realisation* relate to overpayments which will be adjusted either by recoveries from the public or from Departmental officials responsible for making overpayments or short credits or by write-off to Revenue. The balance in item (ii) includes Rs. 2,19,406, the value of money orders issued by Base Post Offices in the Far East during December, 1941 to February, 1942 and Rs. 1,79,402 on account of money orders issued in Port Blair Post Office in February and March, 1942 awaiting adjustments as the money order issue lists or the cash accounts were not received but the money orders were received as paid in the Audit Offices. The orders of the Central Government for adjustment of Rs. 219,406 have since been received and the amount is being adjusted in 1944-45. The balance is still under correspondence.

Item (iv) *Customs duty on foreign mail articles* relates to the amount of customs duty levied on articles of inward foreign mails credited to the Civil Department in advance of recovery of the amount from the addressees of the articles.

Item (vi) *Miscellaneous* relates to the amounts advanced to electric companies as security deposits. It also includes advances to Government servants for evacuation of their families from certain areas.

Advances Recoverable—Defence**Dr. Rs. 19,56,05,311**

165. The details are :—

Military Accounts Officers on whose books the balances are borne.	Permanent Advances.	Advances Repayable.				Total.
		Advances Proper.	Navy Bills Receiv- able.	Advances from Military Treasure Chests.	Passage Advances.	
(1)	(2)	(3)	(4)	(5)	(6)	(7)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
North Western Army, Rawalpindi ..	1,40,964	28,58,465	..	—14,077	..	29,85,352
Military Accounts and Pensions, Lahore ..	53,48,155	41,93,640	..	..	..	95,41,795
Southern Army, Poona ..	3,98,828	1,49,92,764	..	1,55,075	—204	1,55,47,063
Central Command, Meerut ..	6,07,777	25,41,762	..	—29,906	..	32,09,633
Air Forces, Ambala	4,380	10,10,082	..	..	..	10,14,462
Army Factory Ac- counts, Calcutta	54,040	—9,34,571	..	..	..	—8,80,531
Naval Accounts, Bombay ..	30,715	1,29,088	12,14,219	..	..	13,74,022
Supply Accounts, Defence, Delhi ..	1,550	1,62,45,582	..	..	..	1,62,47,132
Field Accounts, Poona ..	91,932	14,26,20,664	..	..	..	14,27,12,596
Eastern Command, Patna ..	6,47,399	41,26,459	..	..	..	47,73,858
British Troops, Meerut ..	9,100	—9,29,171	..	..	..	—9,20,071
Total ..	74,24,840	18,68,54,764	12,14,219	1,11,692	—204	19,56,05,311

Permanent Advances Dr. Rs. 74,24,840

166. The amount represents imprests granted to departmental, regimental and other officers. Certificates of acceptance of balances under this head are awaited in eighty-nine cases in Southern Army, twenty-two cases in Eastern Command, twenty-three cases in Field Accounts, and seven cases in Military Accounts and Pensions, Lahore. Under Central Command, Meerut, the balances are under reconciliation in 132 cases.

Advances Proper Dr. Rs. 18,68,54,764

167. *North Western Army.*—The balance includes Rs. 95,671 representing advances made to various newly raised units, Rs. 9,570 on account of advances for officers' mess equipment and Rs. 27,53,224 relating to miscellaneous and other advances which are being adjusted in the year 1944-45.

Military Accounts and Pensions, Lahore.—The balance includes (i) Rs. 29,66,310 on account of miscellaneous advances representing net amount transferred to this head to clear the outstanding under the detailed head "Stores purchases in India through the Supply Department", (ii) Rs. 25,039 on account of advances paid to units and formations for the purchase of officers' mess equipment, (iii) Rs. 70,545 on account of advances paid to newly raised units, etc., and (iv) Rs. 11,31,746 being the balance of advances against the Field imprest holders.

Southern Army.—The major items comprising the balance are (i) Rs. 64,685 on account of balance in respect of advances paid to newly raised units, (ii) Rs. 11,260 representing advances paid to units and formations for the purchase of officers' mess equipment, (iii) Rs. 21,01,576 being the amount of closing balances on the 31st March, 1944 with the various imprest holders, (iv) Rs. 26,03,599 adjustable by the Controller of Military Accounts, which has since been adjusted in 1944-45 (v) Rs. 85,21,919 which includes advances paid by the Field Cashiers to the Air Ministry personnel, foreign currencies repatriated, and advances paid to the Foreign Governments in connection with the construction of aerodromes, etc. and (vi) Rs. 1,38,725 representing advances made in connection with the local development schemes.

Central Command.—The balance is composed of mainly (i) Rs. 70,781 on account of interest-free advances paid to newly raised units and formations solely for regimental purposes, (ii) Rs. 38,759 representing advances for the purchase of officers' mess equipment, (iii) Rs. 24,29,001 on account of stores purchases in India through the Supply Department transferred to this head at close of the year pending adjustment, and advances made to Recruiting Officers to meet expenditure on account of advances of pay, etc. to recruits and (iv) Rs. 3,221 representing erroneous adjustments under this head, being adjusted in 1944-45.

Air Forces.—It includes (i) Rs. 1,49,772 being the amount of closing balances on the 31st March, 1944 held by various imprest holders, (ii) Rs. 1,83,437 on account of advances adjustable by the Controller of Military Accounts, (iii) Rs. 5,84,554 being the amount of advances made to the personnel of other commands, acceptances in respect of which are awaited and (iv) Rs. 92,319 on account of advances paid to Air Force Units and formations for the purchase of officers' mess equipment and canteen stores.

The balance in respect of (ii) above has since been reconciled with the booked figures.

Army Factory Accounts.—The balance is composed of (i) debits (Rs. 7,87,513) and credits (Rs. 17,22,084). The debit includes Rs. 4,00,000 adjusted on account of Hattersley Mills, Bombay under orders of the Central Government and will be eliminated on the termination of the arrangement with the mills. The credit is mainly due to adjustment of railway bills for which debits have been received in 1944-45.

Naval Accounts.—It includes (i) Rs. 49,078 on account of advances for the purchase of officers' mess equipment and (ii) Rs. 80,010 representing mainly advances to private bodies, etc. for Royal Indian Navy works.

In case of (i) above, acceptances of balances, are awaited in thirteen cases.

Supply Accounts (Defence).—The balance includes (i) Rs. 51,442 on account of advances made to Messrs. Mackenzie & Co. (Rs. 50,000), Bombay Port Trust (Rs. 200) and balance of an advance to an officer to re-equip himself on reversion from foreign service from Burma (Rs. 1,242) and (ii) Rs. 1,61,94,140 representing advances to woollen manufacturers and other firms, etc. (Rs. 1,58,35,258) and other miscellaneous advances pending adjustment (Rs. 3,58,882). The difference of Rs. 29,393 between the ledger and the broadsheet balances is under adjustment.

Field Accounts.—The balance consists of (i) advances relating to Field Cashier's Account (Rs. 71,89,896), (ii) outstanding imprest holders' account (Rs. 2,28,85,382) (iii) advances adjustable in the office of the Controller (Rs. 1,29,86,473), (iv) amount outstanding under Advances—Unit Accountants (Rs. 9,86,34,753), (v) advances paid to newly raised units (Rs. 5,91,821), (vi) advances for the purchase of officers' mess-equipment (Rs. 3,154) and (vii) miscellaneous advances (Rs. 3,29,185).

The balances under (i) and (ii) above will ultimately be paid as Field Advances to officers and others whose accounts are maintained on war system of accounting and will eventually be debited to the head 'Field Deposits' to which the pay and

allowances of the above officers and others are credited as and when they accrue. The balances under (iii) and (iv) represent advances already paid but awaiting recovery. They will be adjusted by debit to the head "Field Deposits". In case of item (v) above, acknowledgments of balances are awaited in 207 cases.

The differences between the ledger and broadsheet balances under items (i) and (ii) above and those acknowledged by the Field cashiers and imprest holders in their respective individual accounts are under investigation.

Eastern Command.—The balance is made up of (i) advances to newly raised units and formations (Rs. 12,221), (ii) advances for officers' mess equipment (Rs. 1,100), (iii) imprest holders' account (Rs. 30,82,059) consisting of imprests for supplies and services, (iv) miscellaneous advances (Rs. 8,07,763) and (v) erroneous adjustment under this head (Rs. 2,23,316) which has been set right in the accounts for 1944-45.

Under item (iii), a difference of Rs. 10,29,179 between the compiled figure and the imprest register is under investigation. Acceptances of the balance are awaited from the imprest holders. The cash balances as shown in the cash accounts are under reconciliation with the imprest register.

British Troops.—It includes (i) Rs. 9,30,521 relating to imprest holders' account and (ii) Rs. 1,350 on account of advances paid for the purchase of officers' mess equipment. The minus balance under (i) is due to non-receipt of civil debits for advances drawn by imprest holders on advance station orders.

Navy Bills Receivable **Dr. Rs. 12,14,219**

168. The balance represents cash payments, etc. made on behalf of the Royal Navy.

Advances from Military Treasure Chests **Dr. Rs. 1,11,692**

169. The credit balance under the head represents the value of cheques remaining uncashed on the 31st March, 1944 (Rs. 97,433). The debit balance of Rs. 2,09,125 represents two emergency cash requisitions for Rupees one lakh each not adjusted in 1943-44 but adjusted during 1944-45 and Rs. 9,125 on account of miscellaneous items.

Passage Advances **Dr. Rs. —204**

170. The balance represents erroneous adjustment under this head and has since been readjusted during 1944-45.

Advances Repayable (England)—

High Commissioner for India **Dr. £ 1,311**

171. The balance represents the outstanding amount of various advances made by the High Commissioner.

Permanent Advances **Dr. Rs. 9,13,601**

172. The following are the details :—

	Dr.
	Rs.
Civil—	
Central Revenues	1,95,603
Baluchistan	21,969
Supply Accounts, Civil	1,37,712
Food Accounts	8,975
Madras	94,954
Bombay	1,08,769
Bengal	1,74,660
United Provinces	23,710
Punjab	26,634
Bihar	5,450
Central Provinces and Berar	12,455
Assam	15,964
North-West Frontier Province	55,821
Orissa	2,382
Sind	4,615
Coorg	4,130
Total—Civil	8,93,803
Posts and Telegraphs	19,798
Total	9,13,601

173. These advances are granted to officers of Government who have to meet contingent expenditure before they can place themselves in funds by drawing bills on treasuries, etc. Certificates accepting the balance have not been received in one case in Central Revenues, two cases under Supply Accounts (Civil), one case in Bengal, forty cases in Madras, six cases in Bombay, two cases in the United Provinces, twenty-two cases in the Punjab, five cases in Bihar, four cases in the Central Provinces and one case in Assam. Under Supply Accounts, acceptance of balance is also awaited in one case relating to 1942-43.

The difference between the ledger and the broadsheet balances have been settled except Rs 553 under Central Revenues and Rs 476 in Madras.

A sum of Rs. 10 was written off from this head under Central Revenue; under orders of competent authority.

The Posts and Telegraphs balance consists of Rs. 5,000 held by the Superintendent, Postal Seals, Aligarh as working capital and Rs. 14,798 held by the Posts and Telegraphs Officers as ordinary permanent advances for meeting petty contingent expenditure.

Accounts with His Majesty's Imperial Government .. **Dr. £6,995**

174. The details of the balance are :—

								Dr. £
Secretary of State	..	..	..	..	..	..	..	2,422
High Commissioner	..	..	..	..	..	..	..	4,573
££						Total		<u>6,995</u>

The debit balance in the accounts of the Secretary of State represents miscellaneous expenditure on behalf of the Imperial Government. It consists of amounts paid in 1942-43 and 1943-44 which are expected to be adjusted in 1944-45.

The debit balance in the High Commissioner's accounts is made up of (i) pensions issued to retired officers of the Central Government in respect of their services in various departments of the Imperial Government, (ii) salaries and (iii) freight and shipping charges on stores shipped to India on behalf of the Imperial Government by the Supply Department. Recovery of balances in respect of (i) and (ii) above has been effected in 1944-45.

Dr. Rs. 1,57,52,858

[Credit+, Debit—.]

[illegible]

Recovery is awaited from Cochin and Mysore States to the extent of Rs. 20,735 and Rs. 2,05,122 respectively while the payment of Rs. 1,43,719 is due to the Travancore State.

Bombay.

									Cr. Rs.
Sawantwadi ..	..	..	..	..	..	..	..	..	60,421
Jath..	..	..	..	..	..	..	..	..	48,991
Koihapur ..	..	..	..	..	..	..	..	..	137
Total ..									1,09,549

The certificate of acceptance of balance is awaited in one case.

Bengal.

									Dr. Rs.
Cooch Behar ..	..	..	..	..	..	..	..	..	5,70,211
Tripura ..	..	..	..	..	..	..	..	..	2,410
Total ..									5,72,621

The balance represents Government money lying in the Cooch Behar State treasury which, under special arrangement, makes payments and receives money on behalf of Government. The amount does not, represent any claim outstanding against the State. The balance against Tripura State has been recovered in 1944-45.

Punjab.

							Dr. Rs.	Cr. Rs.
Kashmir ..	..	..	..	..	..	..	15,54,034	..
Bahawalpur ..	..	..	..	..	..	..	2,68,099	..
Malerkotla ..	..	..	..	..	..	..	..	17,035
Patiala ..	..	..	..	..	..	..	..	14,41,533
Kapurthala ..	..	..	..	..	..	..	..	25,993
Jind ..	..	..	..	..	..	..	..	11,365
Faridkot ..	..	..	..	..	..	..	2,00,965	..
Chamba ..	..	..	..	..	..	..	..	51,031
Nabha ..	..	..	..	..	..	..	..	4,80,436
Mandi ..	..	..	..	..	..	..	..	10,039
Suket ..	..	..	..	..	..	..	..	6,416
Bikaner ..	..	..	..	..	..	..	..	84,991
Kalsia ..	..	..	..	..	..	..	..	4,994
Sirmur ..	..	..	..	..	..	..	..	30,122
Poonch ..	..	..	..	..	..	..	7,991	..
Khairpur ..	..	..	..	..	..	..	..	2,69,302
Leharu ..	..	..	..	..	..	..	..	1,850
Tekri (Garhwal)	..	..	..	..	..	..	..	60,624
Ramgarh ..	..	..	..	..	..	..	..	10
Bilaspur ..	..	..	..	..	..	..	104	..
Pataudi ..	..	..	..	..	..	..	..	3,906
Total ..							20,31,196	24,99,652
							Net Cr.	4,68,456

The balances due by or to the various States have been communicated to them. The certificates of acceptance have not been received from two states.

178. *Posts and Telegraphs*—The balance is made up of (i) Rs. 77,111 (debit) representing net payment made by Post Offices on account of money orders exchanged with Indian States, (ii) Rs. 1,88,572 (debit) as net payments made by Post Offices into Durbar treasuries and (iii) Rs. 96 (debit) representing the balance of the accounts exchanged between the Indian Posts and Telegraphs Department and His Majesty's Colonial Government, Aden.

Accounts with the Government of Burma Cr. Rs. 40,57,059

179. The balance under this head represents the financial transactions of the Central Government with the Government of Burma remaining unadjusted through the Reserve Bank of India at the close of the year. It includes the sum of Rs. 21,886 (debit) in respect of the balance of the accounts exchanged between the Indian Posts and Telegraphs Department and the Government of Burma. The other items included therein pertain to Central Revenues, Rs. 40,98,625 (Cr) and Baluchistan, Rs. 19,680 (Dr).

Accounts with the Burma Railway Board Cr. Rs. 5,066

180. The balance represents the outstanding amount due from the Burma Railway Board for which the monetary settlement through the Bank could not be effected before the Bank's accounts for the year were closed. The balance has been cleared in 1944-45.

Accounts with the Reserve Bank Dr. Rs. 13,69,860

181. The receipts and payments on account of the Reserve Bank occurring in Government (Central) treasuries are recorded under this head until they are cleared by the Accountants General with the Bank. The details are :—

						Dr. Rs.	Cr. Rs.
Central Revenues	..	..	..	..	..	2,909	..
Baluchistan	..	..	..	..	..	314	..
Madras	..	..	..	..	..	..	5,95,450
Bombay	..	..	..	..	..	15,61,733	..
Bengal	..	..	..	..	..	..	15,662
Punjab	..	..	..	..	..	135	..
Assam	..	..	..	..	..	22,304	..
North-West Frontier Province	..	..	..	..	..	..	14
Coorg	..	..	..	..	..	751	..
Total						15,88,146	6,11,126
Railways	..	..	..	..	..	3,92,840	..
Total						9,80,986	6,11,126
Net Dr.						13,69,860	

The discrepancies between the ledger and the broadsheet balances have been adjusted except Rs. 4 in Baluchistan and Rs. 4 in Madras. Under Railways the balance represents charges due from the Reserve Bank on account of freight on treasure, etc. The amount is being recovered from the Bank during the year 1944-45.

Dr. Rs. 9,58,94,666

Coinage Accounts

182. The following are the details :—

[Credit +, Debit—]

Heads of Accounts. (1)	Central Revenues. (2)	Baluchistan. (3)	Madras. (4)	Bombay. (5)	Bengal. (6)	United Provinces. (7)	Punjab. (8)	Bihar. (9)	Central Provinces and Berar. (10)	Assam. (11)	North West Frontier Provinces. (12)	Orissa. (13)	Sind. (14)	Total. (15)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Bullion Advances for Coinage	..	..	..	-26,10,081	-5,54,388	..	..	..	..	..	..	..	..	-31,64,469
Bronze (and Copper) Coinage Account	+9,53,709	..	..	+3,19,833	-7,12,853	..	-4,95,108	..	..	..	..	..	..	+65,581
Nickel Coinage Account	+1,05,00,299	..	..	-20,07,062	-22,74,017	..	-5,55,570	..	..	..	..	..	..	+56,72,620
Quaternary Coinage Account	+3,83,63,221	..	..	-3,27,69,757	-2,767	..	-235,56,509	..	..	..	..	..	..	-1,79,65,812
Small Coin Depot Balances	-25,90,990	-1,53,900	-31,29,261	-55,88,485	-54,67,124	-30,00,577	-43,90,361	-247,55,68	-13,85,163	-133,735	-50,350	-40,040	-5,29,350	-3,01,44,504
Quaternary Rupee Coin Balances	..	..	..	-5,01,58,082	..	..	..	..	..	..	..	..	..	-5,01,58,082
Total	+4,72,35,239	-1,53,900	-31,29,261	-9,28,13,634	-90,11,179	-30,00,577	-290,03,548	-24,75,358	-13,85,163	-13,37,332	-50,350	-40,040	-5,29,350	-9,58,94,666

Bullion Advances for Coinage **Dr. Rs. 31,64,499**

183. The debit balance represents the value of silver bullion received in the Mints but not cleared by coin delivered.

Bronze (and Copper) Coinage Account **Cr. Rs. 65,581**

184. The balance represents the difference between the value of metal in store *plus* the amount of bronze coins in the Mints on the 31st March, 1944 and the profit on coins in stock on that date in the Mints and Small Coin Depots which is not credited to revenue before actual issue of the coins. The details of these balances on the 31st March, 1944 are as follows :—

Name of Accounts.		Central Revenues.	Calcutta.	Bombay.	Lahore.
(1)		(2) Rs.	(3) Rs.	(4) Rs.	(5) Rs.
<i>Bronze Mintage Account</i> , being the value of metal in store in the Mints on the 31st March, 1944	Cr.	..	..	3,70,833	..
	Dr.	..	7,12,853	..	4,90,408
<i>Bronze Coin Account</i> , being the amount of bronze coins in the Mints on the 31st March, 1944 ..	Dr.	..	..	51,000	4,700
<i>Mint Profit Account</i> , being the profit on coins in stock on the above date in the Mints and Small Coin Depots not yet brought to credit as revenue	Cr.	9,53,709	..	..	..
		Total Cr.	13,24,542		
		Total Dr.	12,58,961		
		Net Cr.	65,581		

There are differences of Rs. 13,78,570 in Bombay and Rs. 5,75,934 in Lahore between the ledger balances and the Mint Store Account which are under reconciliation.

Nickel Coinage Account **Cr. Rs. 56,72,620**

185. The balance represents the difference between the value of nickel and cupro-nickel in store *plus* the amount of nickel coins in the Mints on the 31st March, 1944 and the profit on nickel coins in stock on that date in the Mints and Small Coin Depots which is not credited to revenue before actual issue of the coins. The details of these balances on the 31st March, 1944 are as follows :—

Name of Accounts.		Central Revenues.	Calcutta.	Bombay.	Lahore.
(1)		(2) Cr. Rs.	(3) Dr. Rs.	(4) Dr. Rs.	(5) Dr. Rs.
<i>Nickel Mintage Account</i> , being the value of nickel, cupro-nickel and wolston in store on the 31st March, 1944 .. .. .		..	14,18,797	20,07,062	5,55,570
<i>Nickel Coin Account</i> , being the amount of nickel coins in the Mint on the 31st March, 1944 ..		..	8,55,250	..	..
<i>Mint Profit Account</i> , being the profit on coins in stock on the 31st March, 1944		1,05,09,299			
Total		1,05,09,299	22,74,047	20,07,062	5,55,570
		Net Cr. 56,72,620			

Under Nickel Mintage Account there is a discrepancy of Rs. 96,824 in Bombay between the ledger balance and that shown in the Mint Store Account, which is under correspondence.

Quaternary Coinage Account**Dr. Rs. 1,79,65,812**

186. The details of the balance are shown below :—

Name of Accounts.					Central Revenues.	Calcutta.	Bombay.	Lahore.
					Cr. Rs. (2)	Dr. Rs. (3)	Dr. Rs. (4)	Dr. Rs. (5)
(1)								
Quaternary Mintage Account—								
(i) Stock Account	..	..	..	..	..	2,767	4,93,955	1,69,31,509
(ii) Rupee Account	..	..	..	..	..	..	1,29,69,707	..
(iii) Small Coin Account	..	..	..	..	..	..	77,86,095	..
Total					..	2,767	2,12,49,757	1,69,31,509
Quaternary Coin Account—								
(i) Stock Account	..	..	..	..	..	..	..	66,25,000
(ii) Rupee Account	..	..	..	..	..	..	69,00,000	..
(iii) Small Coin Account	..	..	..	..	..	..	46,20,000	..
Total					..	..	1,15,20,000	66,25,000
Mint Profit Account					..	..	..	..
Total					..	3,83,63,221	2,767	3,27,69,757
					..	..	..	2,35,56,509
					Net Dr. 1,79,65,812			

The balance against Quaternary Mintage Account represents value of quaternary silver and alloy in stock at the Mints on the 31st March, 1944 and that against Quaternary Coin Account represents the amount of quaternary coins in the Mints on that date. The balance against Mint Profit Account represents the profit relating to the coins in stock at the Depots and Mints on the 31st March, 1944.

Small Coin Depot Balances**Dr. Rs. 3,01,44,504**

137. This represents the non-legal tender coins kept in stock for delivery to treasuries as required. Not being actual available cash, the balance is held at debit of this account instead of as part of the general cash balance.

The details of the balance are :—

Depots.	Quater- nary.	Silver.	Nickel.	Bronze and Copper.	Total.
(1)	(2)	(3)	(4)	(5)	(6)
	Rs.	Rs.	Rs.	Rs.	Rs.
Central Revenues Depots	13,89,350	19,415	11,26,500	55,725	25,90,990
Baluchistan Depots	78,000	..	75,000	900	1,53,900
Madras Depots	17,01,340	23,021	13,17,375	87,525	31,29,261
Bombay Depots	39,70,030	..	14,26,085	1,92,370	55,88,485
Bengal Depots	23,57,535	1,16,564	28,49,115	1,43,910	54,67,124
United Provinces Depots	17,34,150	145	11,99,524	66,753	30,00,577
Punjab Depots	33,22,466	252	9,69,293	1,04,350	43,96,361
Bihar Depots	20,74,000	7,000	3,84,050	10,518	24,75,568
Central Provinces and Berar Depots	8,75,930	..	4,75,468	33,765	13,85,163
Assam Depots	8,52,500	..	4,78,500	6,335	13,37,335
North-West Frontier Depots	17,000	..	28,250	5,100	50,350
Orissa Depots	37,000	..	2,650	390	40,040
Sind Depots	2,22,000	..	2,87,250	20,100	5,29,350
Total	1,86,31,301	1,66,397	1,06,19,067	7,27,746	3,01,44,504

Under Central Revenues a difference of Rs. 2,50,364 with the Cash Balance Report is under settlement. In Madras the differences of Rs. 1,19,340 under Quaternary, Rs. 1,33,450 under Nickel and Rs. 24,410 under Bronze and Copper between the balances furnished by the Currency Officer and the ledger balances have since been adjusted in the accounts for 1944-45.

Quaternary Rupee Coin Balances Dr. Rs. 5,01,58,082

188. This head accommodates transactions connected with the issue to and return by, the Reserve Bank of India, of quaternary rupee coins. The debit balance represents the amount of quaternary rupee coins held in the custody of the Reserve Bank on the 31st March, 1944 for issue to treasuries. As in the case of the small coin depot balances, the balance of quaternary rupee coins held in stock is excluded from the general cash balance of Government.

PART IV.—SUSPENSE.

189. The classes of transactions included under this head are the following :—

Heads. (1)	India.		England.
	Dr. (2)	Cr. (3)	Dr. (4)
	Rs.	Rs.	£
Suspense Accounts .. .. .	..	35,17,670	31,012,752
Transactions connected with Burma notes	..	20,53,43,843	..
Purchases and Sales of Silver .. ..	..	16,60,69,692	..
Cheques and Bills .. .. .	..	2,78,44,230	..
Departmental and Similar Accounts ..	3,44,92,950	..	..
Transactions connected with the War, 1939	1,14,16,799	..	..
Payments made to Reserve Bank for loss of currency due to enemy action ..	12,71,700	..	..
Total ..	4,71,81,449	40,27,75,435	
Net Cr. ..	(a) 35,55,93,986		(b) 31,012,752

(a) It includes the following Investment Accounts :—

	Rs.
(i) Railway Deposit Investment Account	4,02,187
(ii) Indian Railway Conference Association Employees' Provident Fund Investment Account	6,75,113
(iii) Sind Punjab and Delhi Clergy Endowment Fund Investment Account	16,109
(iv) Staff Benefit Fund Investment Account	4,55,812
Total (See para. 211) ..	15,49,221
(v) Cost of Government Promissory notes and Investment Certificates held in imprest (See para. 209)	42,075
(vi) Cash Balance Investment Account (See para. 199)	55,11,56,300
Total ..	55,27,47,596

(b) It includes £ 26,828,145 on account of investments detailed in para. 212.

Suspense Accounts (India)

190. The details of the balances are :—

Heads.	Central Revenues.	Balu- chistan.	Supply Accounts (Civil).	Food Accounts.	Madras.	Bombay.	Bengal.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Civil—							
Suspense Ac- counts—							
Objection Book Suspense.	+54,096	—71	—42,056	+10,369	—35,550	—11,41,867	—26,65,085
Bushire Suspense	—72,256	..	..	..	..	..	..
Discount on Treasury Bills	..	..	..	..	—7,224	—5,74,886	—4,35,212
Recoveries of Service Pay- ment.	..	+7,577	..	..	+6	..	..
Central Excises and Salt Sus- pense.	+1,71,508	..	..	..	..	..	..
Other Suspense Accounts.	—3,48,14,268	—4,41,003	—5,05,69,193	—72,325	—17,316	+1,28,10,178	—3,78,498
Central Accounts Office—Re- serve Bank suspense.	—1,44,240	..	—6,16,296	..	..	..	..
English Stores Suspense.	—49,374	..	..	..	..	..	..
Cash Balance In- vestment Ac- count.	—55,11,56,300	..	..	..	..	..	..
Discount Sink- ing Fund.	—9,32,74,898	..	..	..	..	..	..
Departmental Adjusting Ac- count.	—4,27,504	..	—6,87,077	—140	..	..	—1,46,880
Advance credit on account of Central trans- actions in non- Bank Provin- cial treasuries and sub-trea- suries.	..	..	..	..	..	..	..
Bonus on Loans	+40,85,056	..	..	..	..	..	..
Purchase of re- serve stock of tear smoke equipment.	—41,800	..	..	..	..	..	..
Cost of air raid precaution equipment purchased centrally.	—4,25,025	..	—2,09,87,608	..	..	..	..
Profit from cir- culation of nickel, bronze and copper coins.	+10,79,82,438	..	..	..	..	..	..
Advances to electrical undertakings for A.R.P. measures.	—2,50,000	..	..	..	..	..	..
Value of one rupee notes is- sued.	..	..	..	..	..	+65,44,45,709	..
Total Civil ..	—56,83,62,567	—4,33,497	—7,29,02,230	—62,096	—60,084	+66,55,39,134	—36,25,673
Posts and Telegraphs	..	..	..	..	..	..	..
Defence ..	..	..	..	..	..	..	..
Railways ..	..	..	..	..	..	..	..
GRAND TOTAL ..	..	..	..	..	..	..	..

Cr. Rs. 35,17,670

[Credit + , Debit —]

[illegible]

Objection Book Suspense **Dr. Rs.** **1,66,63,320**

191. This is the main suspense head upon the Civil books. The transactions under this head represent items which due to insufficient information or other reasons cannot be allocated to the proper heads in the accounts. These entries are zealously watched, as there is a general rule that this head should not be operated upon without special orders in each case.

As in the case of balance under Objection Book Advances, the ledger balance under this head has to be agreed with the aggregate of the separate accounts in the objection books. The differences between the ledger and the broadsheet balances have been adjusted except Rs. 599 under Central Revenues, Rs. 22,943 under Supply Accounts (Civil), Rs. 648 under Madras and Rs. 66 in Assam. The bulk of the outstandings has been adjusted in the accounts for 1944-45.

In Bengal the work of reconciling the ledger balances with those of the broadsheets is in progress.

Bushire Suspense **Dr. Rs.** **72,256**

192. The net outstanding balance under this head includes a sum of Rs. 1,25,725 being the balance of the amount recoverable from the Hedjaz Government for the cost of arms and ammunition supplied by the Central Government.

Discount on Treasury Bills **Dr. Rs.** **10,23,621**

193. The debits under this head relate to discount in respect of treasury bills issued to the public which did not accrue during the year under report, the debits being cleared by charge to revenue in the following year when the bills are paid off on maturity.

Recoveries of Service Payments **Cr. Rs.** **7,583**

194. The balance has been verified and adjusted in the accounts for 1944-45.

Central Excises and Salt Suspense **Cr. Rs.** **1,71,508**

195. This head accommodates the receipts and payments of the Central Excises and Salt Department excepting salt revenue receipts of the North Western India Circle, passed on by the Central and Provincial Treasury Officers through the Accounts Officers concerned for adjustment in the books of that Department. Other transactions relating to purchases made through the Supply and Other Departments are also adjusted through this head.

Other Suspense Accounts **Dr. Rs.** **7,64,53,495**

196. This represents the net result of debit and credit balances of several suspense heads. The debit balance of Rs. 3,48,14,268 under Central Revenues includes a credit of Rs. 8,83,001 under the suspense head "Security Purchase Account" and a debit of Rs. 2,63,05,093 representing amount of unadjusted items in respect of 3 per cent Loan, 1953-55 adjusted under the suspense head. The former suspense head will be cleared on receipt of the orders of the Central Government when the scheme of repatriation of sterling debt is finally closed, while the latter is in course of adjustment. The debit balance of Rs. 5,05,69,193 under 'Supply Accounts (Civil)' is mainly composed of debit balances amounting to Rs. 15,69,61,104 under (i) Purchases in the Dominions, Colonies and other Foreign Governments (Rs. 13,72,73,940), (ii) Stores supplied to the United Kingdom Commercial Corporation, Turkish, Palestine and Afghan Governments, Tanganyika Railways and Hindustan Air Craft, Limited (Rs. 30,82,026), (iii) Mica Suspense (Rs. 20,63,228), (iv) Advances to clearing agents and sea freight advances (Rs. 37,29,082), (v) Canteen Stores Purchase Suspense (Rs. 36,60,176), (vi) Supply Department Suspense (Rs. 8,90,731) and (vii) Other Suspense heads (Rs. 62,61,921) and credit balances amounting to Rs. 10,63,91,911 under (i) Remittance Suspense Lease/Lend (Rs. 4,15,57,150);

(ii) Motor Vehicles Spare Parts Suspense (Rs. 3,90,57,789), (iii) Lease/Lend Suspense (Rs. 1,65,68,145), (iv) Stores purchases Suspense (Rs. 66,65,913), (v) Bichromate Suspense (Rs. 10,24,104), (vi) Standard Cloth Suspense (Rs. 9,94,082) and (vii) Other Suspense heads (Rs. 5,24,728).

An aggregate difference of Rs. 38,53,715 between the ledger and the broadsheets balances pertaining to item (vi) under debit balances and (i) under credit balances referred to above is under reconciliation.

Reserve Bank Suspense **Dr. Rs.** **7,60,536**

197. The head is intended for temporary accommodation of transactions affecting the Central balances pending final adjustment on receipt of debits or credits from other Accounts Officers regarding the monetary settlement with other Governments

English Stores Suspense **Dr. Rs.** **49,355**

198. Debits and credits on account of English Stores which appear in the Home Accounts, and which are required to be adjusted entirely and exactly in the Indian Accounts are taken under this head if they cannot be finally adjusted under the appropriate heads at once.

Cash Balance Investment Account **Dr. Rs.** **55,11,56,300**

199. The balance under this head includes Rs. 55,10,47,800 being the balance of rupee securities created in connection with the scheme of the repatriation of sterling debt and other Central Government loans created but remaining unsold on the 31st March, 1944 and a sum of Rs. 1,08,500 being the value of the Reserve Bank shares held by Government under Section 4 (8) of the Reserve Bank of India Act II of 1934.

Discount Sinking Fund **Dr. Rs.** **9,32,74,898**

200. The discount on Rupee loans is charged in the first instance to this suspense head and is gradually written off by annual payments out of revenue, the instalment being calculated on a Sinking Fund basis. The balance is distributed as shown below :—

							Dr. Rs.
4½ per cent. loan, 1955-60	..	..	..	..	..	..	32,90,182
4 " " " 1960-70	..	..	..	..	..	..	4,41,89,366
3½ " " " 1947-50	..	..	..	..	..	..	68,07,648
3 " " " 1951-54	..	..	..	..	..	..	33,55,157
3 " " " 1963-65	..	..	..	..	..	..	2,80,53,675
3 " " Funding Loan, 1966-68	..	..	..	..	..	..	75,78,870
Total ..							9,32,74,898

Departmental Adjusting Account **Dr. Rs.** **13,42,173**

201. This head is intended for the provisional adjustment of departmental receipts and payments which are entered by the treasuries in separate schedules.

Advance credit on account of Central transactions in non-

Bank Provincial treasuries and sub-treasuries **Dr. Rs.** **32,00,000**

202. The balance represents the amount placed at the credit of the Governments of the United Provinces and the Punjab as a permanent deposit to cover the amount by which the Provincial balance is depleted on account of central transactions in non-Bank Provincial treasuries and sub-treasuries.

Bonus on Loans **Cr. Rs.** **40,85,056**

203. This head has been designed to accommodate the credits adjusted in each year's accounts by per contra debit to revenue under "22—Interest, etc." in respect of bonus payable on (i) 3 per cent. Six Year Defence Bonds and (ii) 3 per cent. Defence Bonds, 1946 during their currency beginning from 1941-42 till maturity. The final payment of bonus on redemption of the loans in 1946-47 will be set off against the credits under this head in that year's account. It also includes premium on sale of 3 per cent. Defence Bonds, 1946 created out of the Cash Balance Investment Account.

Purchase of reserve stock of tear smoke equipment Dr. Rs. 41,800

204. The balance has been verified and is under adjustment.

Cost of air raid precaution equipment purchased Centrally Dr. Rs. 2,14,11,333

205. The cost of stores, acquired and stocked in the A.R.P. stores depots of the Central Government as a Central Reserve, is adjusted under this head which is cleared when recoveries in respect of issues are made from the consignees at the rates fixed by the Central Government.

Profit from Circulation of Nickel, Bronze and Copper Coins Cr. Rs. 10,79,82,488

206. The balance under this head is composed of profits from circulation of (i) Nickel Coins (Rs. 12,94,64,791) and (ii) Bronze and Copper Coins (Rs. 99,57,914) during the year 1943-44 less amount taken to Revenue Account of the year (Rs. 3,14,40,267).

Advances to Electrical Undertakings for A. R. P. Measures Dr. Rs. 2,50,000

207. This head has been opened to record advances, made by the Central Government for construction works pending recovery on their completion.

Value of one Rupee Notes issued Cr. Rs. 65,44,45,709

208. The balance represents the value of one rupee notes taken over by the Reserve Bank of India for issue (Rs. 66,00,00,000), less the share of receipts allocated to Burma (Rs. 55,54,291).

Posts and Telegraphs Suspense Dr. Rs. 58,53,868

209. The balance is made up of:—

	Dr.	Cr.
	Rs.	Rs.
Stamp imposts held in cash by Telegraph Masters	12,820	..
Trade Charges Money Orders .. ..	..	1,59,032
Savings Bank Investment Account .. ..	..	2,08,000
Miscellaneous	62,08,080	..
Total	62,20,900	3,67,032
Net Dr.	58,53,868	

Stamp imposts held in cash by Telegraph Masters.—The balances included herein have been verified with the broadsheets maintained in Audit Offices.

Trade Charges Money Orders.—By a special arrangement with certain foreign countries, the value of articles sent by parcel post is collected from the addressees and the amounts so collected, technically called 'Trade Charges', are remitted to the senders by card Money Orders. These amounts are placed under 'suspense' pending settlement with the Administration concerned.

Savings Bank Investment Account—It is composed of:—

	Cr. Rs.	Dr. Rs.
Cost of Government Promissory Notes and Investment Certificates held in imprest (by the Deputy Accountant General, Posts and Telegraphs, Calcutta) for meeting the demands of Savings Bank depositors .. ..	..	42,075
Interest on Government Promissory Notes due to living Savings Bank depositors	288	..
Interest on Government Securities on behalf of deceased depositors ..	2,00,095	..
Sale proceeds of Government Promissory Notes on behalf of deceased depositors	49,255	..
Anticipatory interest on certain old loans	427	..
Interest on the Imprest of Government Promissory Notes	10	..
Total	2,50,075	42,075
Net Cr.	2,08,000	

Miscellaneous.—It represents the net result of credits and debits taken to suspense for want of necessary particulars. It also includes a sum of Rs. 4,91,154 being the balance under the head 'Miscellaneous Posts and Telegraphs Advances', which records the transactions in connection with the works executed for Railways, Canals, Military, etc., pending recovery from the Departments concerned and advance payments to contractors for departmental works pending adjustment.

Defence Suspense **Dr. Rs.** **1,11,01,131**

210. The balance is made up of the following items :—

(Credits +, Debits—).

Military Accounts Officers on whose books the balances are borne.	Sale proceeds of surplus Military lands and buildings.	Bonus to temporary employees of H.M.I. Dockyard, Bombay and in Ordnance and Clothing Factories etc.	Other Suspense Accounts.	Total.
(1)	(2)	(3)	(4)	(5)
	Rs.	Rs.	Rs.	Rs.
North Western Army, Rawalpindi ..	+16,13,284	..	+1,00,620	+17,13,904
Military Accounts and Pensions, Lahore .. ..	..	..	+6,35,967	+6,35,967
Southern Army, Poona .. ..	..	..	+1,48,938	+1,48,938
Central Command, Meerut .. ..	..	..	+2,11,31,641	+2,11,31,641
Air Force, Ambala .. ..	..	..	—82	—82
Naval Accounts, Bombay .. ..	..	+3,30,000	—23,871	+3,06,129
Supply Accounts, Defence, Delhi .. ..	..	..	—2,42,024	—2,42,024
Field Accounts, Poona .. ..	..	..	—8,132	—8,132
Army Factory Accounts, Calcutta .. ..	..	+52,01,465	—1,02,01,126	—3,49,99,661
Eastern Command, Patna	+6,20,884	..	—4,10,721	+2,10,163
British Troops, Meerut .. ..	..	..	+2,026	+2,026
Total ..	+22,34,168	+55,31,465	—1,88,66,764	—1,11,01,131

The credit balance under column (2) against North Western Army brought forward from 1939-40, represents receipts accruing from the disposal of surplus military lands and buildings, held in suspense. The balance against Eastern Command represents the net balance of the amount realised from the sale of plots under the scheme for the Hastings Military Lands, Calcutta.

The balances under column (3) are payable at the end of the hostilities.

The balances under column (4) represent (i) amounts provisionally held under this head pending their readjustment in the accounts for the year 1944-45 and (ii) uncashed cheques on the 31st March, 1944 drawn on Military treasure chests.

Railway Suspense **Cr. Rs.** **1,94,79,472**

211. The balance is made up of :—

	Rs.
(i) Remittance into Bank Dr.	5,45,021
(ii) Cheques and Bills Cr.	2,28,09,093
(iii) Reserve Bank Suspense Dr.	12,35,379
(iv) Railway Deposit Investment Account Dr.	4,02,187
(v) Indian Railway Conference Association Employees' Provident Fund Investment Account Dr.	6,75,113
(vi) Sind Punjab and Delhi Clergy Endowment Fund Investment Account Dr.	16,109
(vii) Staff Benefit Fund Investment Account Dr.	4,55,812
Net Cr.	1,94,79,472

Head (i) is operated upon as railway earnings are remitted into Banks and Treasuries. The balance represents unaccounted for remittances and the difference between the amount accounted for in the treasury accounts and the Railway books.

Head (ii) represents uncashed cheques of the railways at the end of March, 1944.

Head (iii) records transactions other than those recorded under "Remittances into Banks" and "Cheques and Bills" respectively which are included in the accounts received from non-railway accounts officers and have been advised by them to the Reserve Bank for adjustment with Railways. The reconciliation has been completed on all railways except Great Indian Peninsula Railway.

Heads (iv) and (v) exhibit separately the investments made from (i) the State Railway Deposits appertaining to the security deposits of the subordinates and contractors and (ii) the Indian Railway Conference Association Employees' Provident Fund in Government and other securities.

The account under Head (iv) above was closed during the year under report but the sale proceeds of G. P. notes were erroneously credited to "Deposits—Security Deposits of subordinates". Necessary adjustment is being carried out in 1944-45.

Heads (vi) and (vii) record investments in Government Securities out of Sind, Punjab and Delhi Clergy Endowment Fund and Staff Benefit Fund respectively.

Suspense Accounts (England) Dr. £ 31,012,752

212. The details are :—

I.—Account of the Secretary of State.

Investments :—

	Dr. £
(a) Deposit with H. M. Exchequer in respect of Railway Annuities ..	26,566,769
(b) Investments from cash balance	261,376
	<hr/> 26,828,145

Other items :—

(i) Discount on issue of India Loans	3,334,072
(ii) Purchase of India Stock, Premium	44,804
(iii) Purchase of Railway Stock	144,583
(iv) Purchase of Indian Municipal, etc., Stock	66,945
(v) Sterling Family Pension Funds (Transferred)	4,206
(vi) Bengal and North-Western Railway Debenture Stock : Discount on issue	23,305
(vii) Account with the Government of Burma	—1,542
(viii) Balances with Sub-Accountants	502,013
(ix) Account with the High Commissioner for India	—134
(x) Miscellaneous	12,535
Total ..	<hr/> 4,133,587
Grand Total ..	<hr/> 30,958,732

II.—Account of the High Commissioner.

	Dr. £	Cr. £
(i) Balance with Sub-Accountants	21,403	..
(ii) Account with the Government of Burma	12,261	..
(iii) Passages .. .. .	..	45
(iv) Account with the Secretary of State for India	135	..
(v) Miscellaneous	20,266	..
Total ..	<hr/> 54,065	<hr/> 45
Net Dr. ..	<hr/> 54,020	

Total Suspense Accounts (England) Dr. £31,012,752

213. The balances under these heads are explained below :—

SECRETARY OF STATE

Investments :—

Item (a).—The balance represents outstanding portion of an annuity receiveable from H. M. Exchequer in exchange for a sum of £ 30,054,250 paid in September, 1942 to provide for the Railway Annuity payments falling due on and after 1st January, 1943.

Item (b).—It represents book value of £231,500 Funding 4 per cent. Loan, 1960-90, acquired in December, 1942, and held in the name of the Secretary of State. The original copy is being written down to par by half-yearly instalments.

Other items :—

Item (i) *Discount on issue of India Loans.*—Represents the balance outstanding on 31st March, 1944 of the amount of discount incurred on the issue of sterling loans since 1921-22, which is in course of adjustment by appropriate half-yearly instalments against Revenue.

Item (ii) *Purchase of India Stock, Premium.*—It represents unadjusted portion of excess of cost over par value of £2,150,000 of various India stocks acquired in 1937-38 and cancelled in course of adjustment against Revenue by half-yearly instalments during the remainder of the currency of the stock concerned.

Item (iii) *Purchase of Railway Stock.*—The amount represents the cost of holdings of various Railway Companies' Ordinary Stocks purchased in anticipation of the termination of the Companies' contracts. The balance has been cleared in 1944-45.

Item (iv) *Purchase of Indian Municipal, etc., Stock.*—The balance represents the cost of sterling debentures of local authorities held by Government on the 31st March, 1944.

Item (v) *Sterling Family Pension Funds (Transferred).*—The amount by which the annual receipts of subscriptions, etc., to the ' Transferred Section ' of each of the four sterling family pension funds exceed or fall short of the amount of pensions paid, is payable to or recoverable from the Commissioners who now hold the capital of those Transferred Funds. Advances in respect of each year's transactions are made during the year. The balances at 31st March, 1944 have been adjusted in 1944-45.

The particulars are :—

			Dr. £
Amount due from or to the Commissioners.			
Superior Services (India) Family Pension Fund (Transferred)	..	..	2,592
Indian Military Service Family Pension Fund (Transferred)	..	..	—147
Indian Military Widows' and Orphans' Fund (Transferred)	..	..	200
Indian Civil Service Family Pension Fund (Transferred) ..	..	..	1,562
Net Debit Balance			4,207

Item (vi) *Bengal and North-Western Railway Debenture Stock : Discount on issue.*—The balance represents the outstanding amount of discount on issue of £2,500,000 Debenture Stock and is in course of adjustment by sinking fund charges against Railway Revenues, on the accumulated amount of which interest is allowed from General Revenues.

Item (vii) *Account with the Government of Burma.*—The amount represents the balance of transactions in the accounts of the Secretary of State for India which are adjustable with Burma. The balance has been adjusted during 1944-45.

Item (viii) Balance with Sub-Accountants.—Represents fixed imprests and outstanding balances of advances given to Banks, Dominion Governments, etc., in respect of their payments on Indian accounts.

Item (ix) Account with the High Commissioner for India.—This account has been introduced as from 1st April, 1937 for the purpose of facilitating financial adjustments between the High Commissioner's Office and the India Office. Formerly, an account current was maintained, receipts and payments by one office on behalf of the other being adjusted against the lump sum transfers of cash made by the Secretary of State to finance the High Commissioner's requirements; but as a result of the new procedure for the accounting and adjustment of Home transactions, where by the cash requirements of the High Commissioner are drawn directly from the Reserve Bank, revision of the system became necessary. It was accordingly decided in agreement with the India Office, to deal with these transactions in the Suspense section through the medium of an account to be settled periodically in cash. The outstanding balance has been cleared in 1944-45.

Item (x) Miscellaneous.—The balance consists of sundry payments in 1943-44 which are in course of adjustment.

HIGH COMMISSIONER.

Item (i) Balance with Sub-Accountants.—It represents balances formerly included in the cash balances, but which from the year 1934-35 have been transferred to a new sub-head under "Suspense."

Item (ii) Account with the Government of Burma.—It represents the amount due from the Government of Burma in respect of payments made initially from the accounts of the High Commissioner for India.

Item (iii) Passages.—It represents financial adjustments made with shipping companies on account of cost of passages. Action is in progress to clear this balance.

Item (iv) Account with the Secretary of State for India.—See item (ix) above under Secretary of State.

Item (v) Miscellaneous.—It is the net result of miscellaneous debit and credit balances and includes an unadjusted debit balance of £20,266 from advances made to the Union Government of South Africa on account of leave allowances and pensions of officers being paid in South Africa, for which adjustment has been effected in 1944-45.

Transactions connected with Burma Notes	.. Cr. Rs.	20,53,43,843
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214. The assests transferred by the Reserve Bank against the liability for Burma notes taken over by the Central Government is credited to this head while the payments made by the Reserve Bank from time to time in encashment of Burma notes are correspondingly debited to it.

Purchases and Sales of Silver Cr. Rs.	16,60,69,692
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215. This head replaces the head "Gain or Loss on Revaluation, Sale, Transfer, etc., of Assets of the Paper Currency Reserve—Losses on Sales of Silver" which was formerly used as a suspense head to accommodate the book losses arising out of sales of Currency Reserve Silver. The sum of the loss on sales of silver since the commencement of selling operations and the unadjusted balance under the suspense head "Sales of Silver" were taken as the opening balance of this head on the 1st April, 1935. The equivalent of surplus sterling assets which lapsed to Government on the closing down of the Gold Standard Reserve, after allowing for Rs. 10 crores retained to constitute the Silver Redemption Reserve, was taken to the credit

of this head in the accounts for 1935-36. The value of silver transferred for quaternary coinage and the net profit from the circulation of quaternary coins are also credited to this head. Debits to this head consist mainly of (a) payments to the Reserve Bank for return of coin under Section 36 (1) of the Reserve Bank of India Act, except in so far as such payments are to be made in the form of sterling assets from the Silver Redemption Reserve, (b) amount of standard silver rupees returned by the Reserve Bank in exchange of quaternary rupees and (c) incidental charges connected with silver sales including shipment of silver.

The following are the details of the balance :—

							Cr. Rs.
Central Revenues	..	..	..	..	..	..	4,74,40,108
Bombay	..	..	..	..	..	..	3,15,72,489
Bengal	..	..	..	..	..	..	5,25,90,610
Punjab	..	..	..	..	..	..	3,44,66,485
Total Cr.							16,60,69,692

Cheques and Bills Cr. Rs. 2,78,44,230

216. The following are the details :—

							Cr. Rs.
Pre-audit and Departmental Cheques, Central Revenues	..	..	..	..	..	..	2,39,798
" " " Supply Accounts (Civil)	..	..	..	..	..	..	1,74,89,227
" " " Food Accounts	..	..	..	..	..	..	83,78,547
" " " Madras	..	..	..	..	..	..	25,102
" " " Bombay	..	..	..	..	..	..	5,31,387
" " " Bengal	..	..	..	..	..	..	10,23,991
" " " United Provinces	..	..	..	..	..	..	17,790
" " " Punjab	..	..	..	..	..	..	86,062
" " " Central Provinces and Berar	..	..	..	..	..	..	14,238
" " " North-West Frontier Province	..	..	..	..	..	..	4,903
" " " Sind	..	..	..	..	..	..	33,185
Total ..							2,78,44,230

The credit balances represent the value of cheques issued but remaining unpaid on the 31st March, 1944. Differences between the broadsheet and the ledger balances have been adjusted except Rs. 15 in Madras and Rs. 464 in Bengal.

Departmental and Similar Accounts Dr. Rs. 3,44,92,950

217. The debit balance under this head is composed of cash balances in the hands of several disbursing officers of different departments. These do not form part of general cash balance of Government.

						Dr. Rs.	Dr. Rs.
Civil Departmental Balances—							
Central Revenues	..	..	..	..	..	20,79,237	
Baluchistan	..	..	..	..	..	6,923	
Madras	..	..	..	..	..	2,65,800	
Bombay	..	..	..	..	..	80,544	
Bengal	..	..	..	..	..	6,54,880	
United Provinces	..	..	..	..	..	58,511	
Punjab	..	..	..	..	..	5,34,462	
Central Provinces and Berar	..	..	..	..	..	35,556	
North-West Frontier Province	..	..	..	..	..	3,70,375	
Orissa	..	..	..	..	..	13	
Coorg	..	..	..	..	..	190	
							40,95,401
Posts and Telegraphs Cash Balances	..	..	..	..	..		2,71,92,995

					Dr. Rs.	Dr. Rs.
Defence Services Cash Balances—						
North-Western Army, Rawalpindi..	..	..	..	..	—7,133	
Military Accounts and Pensions, Lahore	..	..	..	..	—28,17,524	
Southern Army, Poona ..	..	..	..	..	8,22,163	
Central Command, Meerut ..	..	..	..	..	5,39,821	
Air Force, Ambala ..	..	..	..	..	43,803	
Naval Accounts, Bombay ..	..	..	..	..	12,24,077	
Eastern Command, Patna ..	..	..	..	..	—22,38,075	
						—24,32,868
State Railway Cash Balances—						
Revenue Account ..	..	..	..	..	55,98,698	
Capital Account ..	..	..	..	..	38,724	
						56,37,422
				Total Dr.		3,44,92,950

Civil Departmental Balances **Dr. Rs.** **40,95,401**

218. The details are :—

						Dr. Rs.
Public Works ..	..	..	..	..	..	2,84,121
Salt and Customs ..	..	..	..	..	..	9,19,553
Mint ..	..	..	..	..	..	1,64,234
Other Departments ..	..	..	..	..	..	27,27,493
				Total	..	40,95,401

The balances agree with those shown in the departmental accounts except for a difference of Rs. 38,76,659 under Supply Accounts, (Civil) and Rs. 2 under United Provinces.

Posts and Telegraphs Cash Balances **Dr. Rs.** **2,71,92,995**

219. The balances represent cash and stamps in the hands of Postmasters and cash in the hands of other disbursing officers of the department on the 31st March, 1944. The balances have been verified with separate cash balance certificates received from the Postmasters, Telegraph Masters, etc. The certificates of cash balances on the 31st January, 1942 from the Port Blair Posts and Radio Offices are not available. The sanction of the Central Government to write off the balances is awaited.

Defence Services Cash Balances **Dr. Rs.** **—24,32,868**

220. These are made up of (i) debit balances representing the actual cash balance on the 31st March, 1944 in the hands of Military Treasure Chest Officers and other disbursing officers of the department and (ii) credit balances representing the amounts due to Officers Commanding Units and Formations on account of undrawn pay and allowances due to British soldiers and airmen.

The balances under North Western Army, Rawalpindi and Eastern Command, Patna, however, include credit balances of Rs. 48,595 and Rs. 23,19,855 respectively in respect of Rs. 48,595 and Rs. 23,19,855 respectively in respect of imprests held by the Military Engineer Services Officers on the 31st March, 1944. The circumstances leading to the credit balances are under investigation.

State Railway Cash Balances **Dr. Rs.** **56,37,422**

221. The amount represents cash balances in the hands of the Disbursing Officers on the 31st March, 1944. Certificates regarding the verification of cash are still awaited in a few cases on the North Western Railway.

Transactions connected with the War, 1939 .. Dr. Rs. 1,14,16,799

222. The following are the details:—

(Credit + Debit—)

Heads of Account. (1)	Central Revenues. (2)	Madras. (3)	Bombay. (4)	Bengal. (5)	United Provinces. (6)	Total. (7)
Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Advances Repayable ..	..	..	+40	+4,110	..	+4,150
Cost of Reserve Stock of equipments for training of war technicians ..	—12,08,232	—96,552	..	—23,070	..	—13,27,854
Expenditure on British subjects (other than Indians) evacuated to India ..	..	..	—4,85,755	..	..	—4,85,755
Expenditure on evacuees from war zones ..	..	—3,67,918	—3,07,031	..	—3,86,120	—10,61,069
Expenditure in connection with internees ..	—85,83,786	..	..	..	..	—85,83,786
Expenditure in connection with the maintenance of Japanese Consular Officials ..	+37,515	..	..	..	..	+37,515
Total ..	—97,54,503	—4,64,470	—7,92,746	—18,960	—3,86,120	—1,14,16,799

Advances Repayable. Cr. Rs. 4,150

223. The amount represents recoveries of advances received by dependants of deceased lascars killed in enemy action.

The differences between the ledger and the broadsheet balances in Bengal are under reconciliation.

Cost of Reserve Stock of equipments for training of war technicians Dr. Rs. 13,27,854

224. This head has been opened to record transactions on account of value of stores supplied to different training centres under the Technical Training Scheme.

The differences between the ledger and the broadsheet balances in Bengal are under reconciliation.

Expenditure on British subjects (other than Indians) evacuated to India Dr. Rs. 4,85,755

Expenditure on evacuees from war zones Dr. Rs. 10,61,069

225. These heads have been created for exhibiting transactions connected with advances and other financial assistance afforded to evacuees initially charged thereunder pending adjustment under the final head of accounts as ordered by the Central Government.

Expenditure in connection with internees Dr. Rs. 85,83,786

226. The above minor head has been opened to accommodate the expenditure on civil enemy prisoners. The expenditure on internees will be apportioned between the various countries from which they have been brought.

Expenditure in connection with the maintenance of Japanese Consular Officials Cr. Rs. 37,515

227. This minor head has been opened to record expenditure concerning Japanese Consular officials in India. The suspense head is to be cleared from the Japanese official funds.

Payments made to Reserve Bank for loss of
currency due to enemy action .. Dr Rs. 12,71,700

228. The amount comprises payment to the Reserve Bank in respect of balances of notes and coins held in the Port Blair currency chest presumed to have been lost due to enemy action. The question of clearing the suspense head will be investigated in due course.

PART V.—MISCELLANEOUS.

229. The details are :—

India	..	..	..	..	..	..	..	Dr. Rs.	12,331
England	..	..	..	..	..	..	..	Cr. £	36,435

India.—The debit balance represents the amount of the contribution money recoverable from the Bikaner Durbar towards its share of expenditure on the Sutlej Valley Project.

England.—The balance is accounted for by the—

									Cr. £
Secretary of State	..	..	..	..	..	..	..	..	7,027
High Commissioner	..	..	..	..	..	..	..	..	29,408
Total								..	36,435

The credit balance in the books of the Secretary of State includes a sum of £4,906 on account of British Income Tax collected at the India Office not paid over to H. M. Imperial Government by the 31st March, 1944, but adjusted in 1944-45.

The credit balance of £29,408 shown against High Commissioner is the net result of various credit items and a debit balance of £1,700 under the head "Direct Indian Purchases." This debit balance is due to the fact that owing to conditions arising from the war, remittances from India were not received until after the 31st March, 1944. The balance has been adjusted in 1944-45.

SECTION Q.—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT

Dr. Rs. 1,14,94,51,140

230. This section is sub-divided into the following divisions:—

	Dr.
	Rs.
Advances to Provincial Governments	98,70,50,362
Advances to Crown Representative	17,01,794
Loans to Indian States	6,05,46,344
Loans to Local Funds, etc.	9,92,49,272
Loans to Government servants	9,03,368
Total ..	1,14,94,51,140

Advances to Provincial Governments Dr. Rs. 98,70,50,362

231. The debit balance under this head represents the outstanding liability in respect of the loans granted by the Central Government to the Provincial Governments and to the Coorg Administration. It includes the balances of the liabilities of the Provincial Governments to the Provincial Loans Fund on the 31st March, 1937 which were not cancelled under the scheme for the decentralisation of balances and the cancellation and consolidation of debt on the introduction of Provincial Autonomy.

The amounts of the balances of loans outstanding against the Governments concerned are given below :—

	Dr.
	Rs.
Madras	5,09,53,655
Bombay	21,48,80,654
Bengal	10,38,09,600
United Provinces	23,96,38,231
Punjab	10,75,93,080
Central Provinces and Berar	2,43,05,557
Assam	9,01,900
Orissa	14,82,300
Sind	24,34,24,955
Coorg	60,430
Total ..	98,70,50,362

Advances to Crown Representative Dr. Rs. 17,01,794

232. The balance represents the outstanding liability in respect of the advances made by the Central Government to the Crown Representative for loans to Indian States, Notabilities, etc. The following are the details of the balance :—

Heads.		Central Revenues.	Bombay.	Bengal.	Orissa.	Sind.	Total.
(1)		(2)	(3)	(4)	(5)	(6)	(7)
		Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Loans to Indian States	Dr	1,75,787	89,468	..	20,773	..	2,86,028
Loans to Notabilities	„	61,390	..	..	..	450	61,840
Other Advances	..	1,00,000	..	12,53,926	..	..	13,53,926
Total	...	3,37,177	89,468	12,53,926	20,773	450	17,01,794

The balances on the books of the Accountant General, Central Revenues, consist of amounts outstanding against the Shahpura State in Rajputana (Rs. 1,75,787), Mirza Khairuddin of the Delhi Family (Rs. 61,390) and Abu Municipality (Rs. 1,00,000). The entire amount of the loan outstanding against the Bhopal Government at the end of 1942-43 was repaid in advance during the year under report.

The balance of Rs. 89,468 in the Bombay books represents the balance of advances made by the Central Government to the Crown Representative for loans to Indian States in the Western India States Agency.

The balance of Rs. 12,53,926 under 'Other Advances' in Bengal represents the amount of loans granted to the Eastern States Joint Police Fund and is sub-divided into the following two detailed heads:—

								Dr. Rs.
Recurring	..	..	..	..	..	..	..	4,71,037
Capital	..	..	..	..	..	..	..	7,82,889
Total								12,53,926

The loan for recurring expenditure is free of interest while that for capital expenditure bears interest. Certificate of acceptance of balance is awaited in one case only.

The balance of Rs. 20,773 under Orissa represents the outstanding amount of the loan of Rs. 30,000 advanced by the Crown Representative to Rampur State during 1941-42. This loan bears interest at 4 per cent. per annum and is repayable by the Durbar in six annual equated instalments.

The sum of Rs. 450 in Sind represents the outstanding balance out of the advance of Rs. 6,000 made to Mir Khuda Yar Khan, son of His Highness Mir Abdul Hussain Khan Talpur.

Loans to Indian States **Dr. Rs. 6,05,46,344**

233. It represents (i) the balance of loans made by the Central Government to Indian States prior to 1st April, 1937 and (ii) loans to Indian States subsequent to that date in pursuance of direct arrangement with the States; in most cases a business one. The following are the details:—

								Dr. Rs.
Central Revenues	..	..	..	..	..	..	..	9,12,238
Madras	..	..	..	..	..	..	..	31,95,108
Bombay	..	..	..	..	..	..	..	1,155
Bengal	..	..	..	..	..	..	..	3,90,351
Punjab	..	..	..	..	..	..	..	5,58,98,442
North-West Frontier Province	..	..	..	..	..	..	..	1,50,000
Total								6,05,46,344

The balance on the books of the Accountant General, Central Revenues, consists of outstandings against the Bundi, the Jaisalmer and the Tonk States. In the case of one of the loans to the Tonk Durbar, an advance payment of Rs. 50,708 in full repayment of the balance was made by the Durbar during the year with *post-facto* approval of the Central Government. The acceptance of the balance in the case of the Jaisalmer State is awaited.

The balance on the books of the Accountant General, Madras, represents the amount of loans advanced to the Governments of Cochin and Mysore. Certificate of acceptance is awaited from the Mysore State.

The balance on the Bombay books is composed of outstandings against various states.

The balance in Bengal represents the balance of the loan to the Tripura State,

The balance in the Punjab represents the balance of the loan due from the Bahawalpur State in connection with the State portion of expenditure on the Sutlej Valley Project and the balance of account current transactions. As under the terms of the agreement it is not possible for the Bahawalpur Durbar to verify the balance of the loan on account of the Sutlej Valley Project at the end of each year, the Auditor General of India has dispensed with the annual certificate of acceptance by the Durbar.

The balance in the North-West Frontier Province represents loans outstanding against two Indian states. These loans are free of interest.

FINANCE ACCOUNTS, CENTRAL GOVERNMENT

234. The following are the details:—

Heads. (1)	Central Revenues. (2)	Baluchis- tan. (3)	Madras. (4)	Bombay. (5)	Bengal. (6)	Bihar. (7)	North- West Frontier Provincia. (8)	Coorg. (9)	Defence. (10)	Posts & Telegraphs. (11)	Total. (12)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Loans to Major Port Trusts and Port Funds	..	..	1,53,82,293	3,59,09,469	83,68,288	..	..	..	..	..	5,96,60,050
Loans to Municipalities ..	56,79,213	5,27,955	..	..	..	..	..	13,765	..	..	62,20,933
Regimental and other Loans ..	..	..	..	..	..	..	..	..	1,34,36,912	..	1,34,36,912
Loans to District and other Local Fund Committees	56,70,936	..	..	..	..	2,45,671	..	..	..	..	59,16,307
Loans to Landholders and other Notabilities ..	..	26,399	..	..	..	..	..	..	..	..	26,399
Advances to Cultivators	12,39,622	4,35,452	..	..	..	..	60,196	4,01,750	..	..	21,43,020
Advances under Special Laws ..	46,91,221	..	..	..	..	..	..	..	..	..	46,91,221
Miscellaneous Loans and Advances ..	69,93,159	50	..	..	..	1,06,713	50,723	..	..	3,785	71,54,430
Total ..	2,42,73,851	9,83,856	1,53,82,293	3,59,09,469	83,68,288	3,52,384	1,16,919	4,15,515	1,34,36,912	3,785	9,92,49,272

Loans to Major Port Trusts and Port Funds .. Dr. Rs. 5,96,60,050

235. The balances are composed of the following :—

					Rs.
Madras ..	(i) Port Trust	..	..	..	92,59,882
	(ii) Port Fund	..	..	..	55,48,311
	(iii) Port	..	..	..	5,74,100
Bombay ..	(iv) Port Trust	..	..	..	3,59,09,469
Bengal ..	(v) Port Fund	..	..	..	83,68,288
Total ..					5,96,60,050

Item (ii) represents the balance of loans due from a Landing and Shipping Dues Fund which has been amalgamated with the Port Fund. In respect of an interest-free loan of Rs. 3 lakhs included under this item, no repayment has been made. The fixation of the terms for its repayment has been ordered by the Central Government to be deferred until repayment of loans advanced for the Fourth Stage Works of the Harbour is completed or till the working of the Port shows a satisfactory surplus after providing for the repayment of instalment for the Fourth Stage Works loans. Item (iii) includes an interest-free loan of Rs. 5,59,200 granted during 1942-43 to cover the deficit in the Port Fund Accounts for 1941-42. The loan is repayable when a surplus is available.

Loans to Municipalities .. Dr. Rs. 62,20,933

236. The balance under this head is made up of Rs. 31,928, Rs. 4,33,354, Rs. 52,13,931 and Rs. 5,27,955 being the balances of loans granted to Ajmer, Delhi, New Delhi and Quetta Municipalities respectively. The remaining balance of Rs. 13,765 relates to Coorg and represents the balance of a loan granted to the Virajpet Municipal Committee for water supply scheme. The Quetta Municipality was allowed to commence the repayment of loans aggregating Rs. 5,48,000 from 1943-44 up to which year only interest was payable. Acceptances of the balances have been received in all cases except in one case for Rs. 2,50,000 under Baluchistan.

Regimental and other Loans (Defence) .. Dr. Rs. 1,34,36,912

237. The amount is made up of Rs. 1,31,44,079 representing advances to Canteen Stores Department of the Canteen Services, India and Rs. 2,92,833 being the balance due from the Poona Cantonment Board.

Loans to District and other Local Fund Committees Dr. Rs. 59,16,307

238. The balance of Rs. 56,70,636 under Central Revenues is made up of Rs. 24,000 and Rs. 56,46,636 representing the balances of loans to the Notified Area Committee, Shahdara and the Delhi Improvement Trust respectively. The remaining balance of Rs. 2,45,671 relates to Bihar and represents the aggregate balance of the two loans granted to the Ranchi European Mental Hospital. Under Central Revenues, lump sum repayments amounting to Rs. 13,50,000 were made by the Delhi Improvement Trust during the year under review with the approval of the Central Government.

Loans to Landholders and other Notabilities .. Dr. Rs. 26,399

239. The entire balance relates to loans granted to three chiefs in Baluchistan.

In one case the annual instalment due during 1943-44 was paid in the following years. The matter has been reported to the Central Government.

Advances to Cultivators .. Dr. Rs. 21,43,020

240. The balances under this head represent outstandings on account of advances made under the Land Improvement Act and the Agriculturists' Loans Act and Loans under the Co-operative Societies Act. The detailed accounts of these loans are maintained by the District and Revenue Authorities who are also responsible for watching the recoveries of principal and interest. The verification of these balances

therefore, consists chiefly in agreeing the ledger balances with the aggregate of the balances worked out in the broadsheets kept in the Civil Accounts Offices; the latter being reconciled with the administrative balances certified by the District or other responsible officers concerned.

Acceptance certificates have not been received in the case of Baluchistan. The balance under Central Revenues includes Rs. 24,670 relating to Port Blair (Land Improvement Act, Rs. 124 and Agriculturists' Loans Act, Rs. 24,546). The question of write off of the amount is under consideration of the Central Government. In the North West Frontier Province, a sum of Rs. 520 representing the principal was written off during the year.

Advances under Special Laws Dr. Rs. 46,91,221

241. The balance under this head is made up of Rs. 46,24,033 being the amount recoverable from the Delhi Joint Water Board and Rs. 67,188 on account of advances made to the Istimrardars of Ajmer. The acceptance of the balance by the Commissioner, Ajmer-Merwara is awaited.

Miscellaneous Loans and Advances Dr. Rs. 71,54,430

242. The balance on the books of the Accountant General, Central Revenues is made up partly of the balances of loans granted to the New Delhi Gymkhana Club, the Young Women's Christian Association, Beawar Central Co-operative Bank, Limited, Delhi Central Electric Power Authority, Limited and miners at Khewra for building houses. In the case of the Beawar Central Co-operative Bank, Limited, a sum of Rs. 12,000 representing two advance instalments was paid during the year under review towards the repayment of the principal of the loan. The balance in Bihar represents the aggregate balances of the two loans granted to the Rescue Station Committee, Dhanbad to enable it to meet the initial expenditure in connection with the establishment of the Rescue Stations. The balance in the North-West Frontier Province represents balances of (i) the loan of Rs. 60,000 granted in 1939-40 to the Post Fund, Wana and (ii) the loan of Rs. 28,000 granted in 1940-41 to the Post Fund, Razmak for constructing bazars at Wana and Razmak respectively.

The balance pertaining to Posts and Telegraphs represents advances granted to Motor Mail Contractors for fitting mail motors with producer gas equipment. The annual acknowledgments in acceptance of the balances have been received except in two cases.

Loans to Government Servants Dr. Rs. 9,03,368

243. This sum represents the balance of temporary advances granted to Central Government servants for house-building, purchase of motor cars and similar purposes at prescribed rates of interest. The distribution between Civil and Non-civil is as follows :—

						Dr.
						Rs:
Civil Department Advances	..	..	..	..	..	2,06,459
Non-Civil Department Advances	..	..	..	..	..	6,96,909
				Total	..	<u>9,03,368</u>

Loans to Government Servants

Civil Department Advances

Dr. Rs. 2,96,459

244. The following are the details:—

Heads.	Central Reve- nues.	Supply Ac- counts (civil.)	Food Ac- counts.	Balu- chistan.	Madras.	Bombay.	Bengal.	United Pro- vinces.	Punjab.	Bihar.	Central Pro- vinces and Berar.	Assam.	North- West Frontier Province.	Sind.	Orissa.	Total.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
House-building advances ..	—144	..	4.	..	..	..	—334	..	—57	..	..	36	..	..	..	—499
Advances for the purchase of motor cars ..	17,514	..	..	2,673	3,247	4,701	—50	1,401	..	..	..	..	..	740	..	30,286
Advances for the purchase of other conveyances ..	96,442	41,469	10,313	4,726	1,784	4,342	6,172	2,203	2,017	1,124	408	..	2,084	2,710	841	1,76,675
Passage advances ..	37	..	..	..	..	..	..	..	..	..	..	..	..	..	..	37
Total ..	1,13,849	41,469	10,313	7,399	5,031	9,043	5,788	3,604	1,900	1,124	408	36	2,084	3,450	841	2,00,459

245. *House building advances.*—The differences between the ledger and the broadsheet balances have been adjusted except Rs. 553 in Central Revenues and Rs. 36 in Assam. In Bengal, the discrepancies are under adjustment. Under Central Revenues certificates of acceptance have not been received from Port Blair.

246. *Advances for the purchase of motor cars.*—The differences between the ledger and the broadsheet balances have been adjusted except Rs. 80 in Baluchistan and Rs. 250 in Madras. The irregularity in repayment of instalment of an advance in one case in Madras is under correspondence.

247. *Advances for the purchase of other conveyances.*—The differences between the ledger and the broadsheet balances have been adjusted except Rs. 1,112 in Central Revenues, Rs. 2,658 in Supply Accounts (Civil), Rs. 13 in the Punjab and Rs. 23 in Sind. In Bengal, the discrepancies are under settlement. Certificates of acceptance are awaited in five cases in Central Revenues, five cases in Baluchistan, four cases in the United Provinces, sixteen cases in the Punjab, two cases in Bihar, one case in Central Provinces and Berar and a few cases in Supply Accounts (Civil). In the United Provinces, instalments of advances were irregularly repaid in two cases. The matter is under correspondence.

248. *Passage advances.*—The difference of Rs. 38 between the ledger and the broadsheet balances under Central Revenues is under settlement.

Loans to Government Servants

Non-Civil Department Advances Dr. Rs. 6,96,909

249. The following are the details :—

Non-Civil Departments. (1)	House- building Advances. (2)	Motor Car Advances. (3)	Advances for the pur- chase of other con- vey- ances. (4)	Passage Advances. (5)	Other Advances. (6)	Total. (7)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Posts and Telegraphs—						
Bearing Interest ..	866	746	2,93,579	240	200	-2,95,631
Not bearing Interest ..	..	4,760	349	..	..	5,109
Defence—						
North Western Army, Rawalpindi .. ..	..	..	18,230	..	..	18,230
Military Accounts and Pensions, Lahore ..	..	..	92,603	..	..	92,603
Southern Army, Poona ..	..	390	9,981	..	..	10,371
Eastern Command, Patna	..	420	4,132	..	..	4,552
Central Command, Meerut	..	..	23,213	..	..	23,213
Air Forces, Ambala ..	..	..	7,348	..	..	7,348
Army Factory Accounts, Calcutta	1,864	..	52,983	..	..	54,847
Naval Accounts, Bombay	..	..	6,983	..	..	6,983
Audit Officer, British Troops, Meerut .. ..	..	..	2,147	..	..	2,147
Field Controller of Military Accounts, Poona ..	..	..	58,934	..	..	58,934
Supply Accounts—(Defence), Delhi .. ..	..	..	6,269	..	..	6,269
Total—Defence ..	1,864	810	2,82,823	..	..	2,85,497
Railways—Revenue Account	..	1,890	98,459	10,323	..	1,10,672
GRAND TOTAL ..	2,730	8,206	6,75,210	10,563	200	6,96,909

250. *Posts and Telegraphs*.—In respect of “House-building advances” the balance is outstanding as the mortgaged house for the disposal of which a decree was issued by the court could not be sold out. The matter is still under correspondence with the authorities concerned.

The acknowledgments in the cases of the outstanding balances under “Passage advances” and “Other advances” could not be obtained as the officials are on extraordinary leave without allowances in England. The matter is under correspondence.

In the cases of balances pertaining to advances not bearing interest, acknowledgments have been called for from the parties and are still awaited.

There are two cases of write-off amounting to Rs. 312 and Rs. 31 during the year under report.

251. *Defence*.—*Advances for the purchase of other conveyances*.—The number of outstanding acknowledgments is 1,049. The Controllers concerned have been instructed to obtain acknowledgments as soon as possible. There is a difference of Rs. 211 under the head which is under settlement.

252. *Railways*.—The acceptances of the balances have been obtained from the officers concerned except in nineteen cases on the East Indian, Bombay, Baroda and Central India and North Western Railways. Recoveries were duly made during the year except in one case on the Bengal and Assam Railway, two cases on the Bombay, Baroda and Central India Railway and five cases on the East Indian Railway. Steps are being taken to set right the same during 1944-45.

A solitary case of misclassification detected during test audit on the East Indian Railway resulted in a short debit of Rs. 4,000.

SECTION 5.—REMITTANCES	INDIA	.. Dr. Rs.	6,08,49,699
	ENGLAND	.. Cr. £	5,488,166

253. This head consists of :—

Heads of Accounts. (1)	India.		England.
	Cr. (2)	Dr. (3)	Cr. (4)
	Rs.	Rs.	£
I.—Remittances within India—			
Money Orders	3,56,76,400	..	..
Cash Remittances and Adjustments between Officers rendering accounts to the same Accountant General or Comptroller .. .. .	..	4,86,18,233	..
Reserve Bank of India Remittances	1,15,282	..	..
Remittances adjusted on the Central Books ..	667	..	..
Adjusting Account between Central and Provincial Governments .. .. .	..	59,88,069	..
Adjusting Account with Railways .. ..	..	39,55,988	..
Accounts with Provinces, etc. .. ..	..	11,61,916	..
Accounts between Departments .. ..	..	3,83,58,908	..
Transfers between Railways .. ..	..	3,58,230	..
Total I.—Remittances within India ..	3,57,92,349	9,84,41,344	..
II.—Remittances between England and India—			
Remittance Account between England and India ..	17,99,206	..	5,488,166
Total—Remittances ..	3,75,91,645	9,84,41,344	
Net Total ..		(a) 6,08,49,699	(a) 5,488,166

I.—REMITTANCES WITHIN INDIA—

Money Orders Cr. Rs. 3,56,76,400

254. The balance under this head represents the difference between the receipts and payments in respect of Inland Money Order issues of the years 1942-43 and 1943-44. The accounting process is not, however, complete unless the ledger balance has been reconciled with the actual amount of unpaid Money Orders picked out from the lists of Money Orders, issued. In practice, there are always some differences between the two sets of accounts due to errors in the various stages of work done in Post Offices and the Audit Offices. As these differences represent the extent to which accounting methods fall short of an absolute standard of efficiency, they are reported annually to the Auditor General of India to enable him to judge the efficiency of audit in this field. The amount of unexplained difference at the end of 1943-44 in respect of Money Orders issued in the year 1941-42 reported to the Auditor General, was Rs. 57,951. A sum of Rs. 36 involving three hundred and thirty cases was written off during the year under report.

(a) See footnote (c) under Account No. 2 of Part B. II. Accounts.

Cash Remittances and Adjustments between Officers rendering accounts to the same

255. The following are the details :—

Heads of Account.	Central Revenues.	Supply Accounts (Civil.)	Balu- chistan.	Madras.	Bombay.	Bengal.	United Pro- vinces.
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Civil—							
Cash Remittances between Treasuries ..	..	..	..	+3,977	..	..	..
Salt Remittances ..	..	..	..	+2,13,324	+12	..	..
Forest Remittances..	+30	..	+69,644	..	+39,636	..	+2,32,910
Public Works Remittances	-1,02,52,768	..	+74,048	-2,043	+8,794	-3,72,536	+10,15,518
Transfers between Public Works Officers	-1,47,12,178	..	..	..	..	..	..
Transfers between Central Excises and Salt Departmental Officers ..	+377	..	..	..	..	..	..
Transfers between Supply Accounts Officers .. ..	..	+47,40,297	..	..	..	..	..
Mint Remittances ..	..	..	..	..	-76,722	+1,60,30,843	..
Small Coin Depot Remittances ..	+1,60,050	..	+8,000	-1,14,968	-10,144	-3,47,585	+46,002
Miscellaneous Remittances	-17	..	..	-4,793	+1,40,883	-97	..
Baluchistan Suspense ..	..	..	+2,44,695	..	..	..	..
Coorg Suspense ..	..	..	..	..	..	..	..
Total ..	-2,48,04,506	+47,40,297	+3,96,387	+95,497	+1,02,459	+93,10,625	+12,95,330
Departmental—							
Transfers between Officers of Military Engineer Services..	..	..	..	..	..	..	..
Posts and Telegraphs Remittances ..	..	..	..	..	..	..	..
GRAND TOTAL ..							

256. This head comprises two different kinds of transactions, one being remittances in actual cash between treasuries and departments rendering accounts to the same Accounts Office ; each separate remittance of this kind is watched through a remittance register. The transactions of the other class are purely book adjustments made within the accounts of the same Accounts Office, which are watched through separate registers maintained for the purpose.

257. *Forest Remittances*.—Differences of Rs. 8,656 under Bombay and Rs. 15 under Assam between broadsheet and ledger balances are under reconciliation.

258. *Public Works Remittances*.—Differences of Rs. 4,27,813 under Central Revenues, Rs. 22,062 under Baluchistan, Rs. 2,82,245 under United Provinces, Rs. 11,262 under Bihar, Rs. 209 under Central Provinces and Berar and Rs. 6,471 under Assam between broadsheet and ledger balances are in course of settlement.

259. *Transfers between Supply Accounts Officers*.—A debit balance of Rs. 7,36,568 has been adjusted in 1944-45 raising the net credit balance to Rs. 54,76,865.

260. *Mint Remittances*.—The credit balance in Bengal is composed of (i) net credit arising out of the difference between the values of silver, etc., transferred from and to the surplus silver stock (Rs. 1,00,25,193), (ii) credit in respect of metal value of burnt, etc., coins received at the Mint (Rs. 329) and (iii) erroneous credit (net) shown in the Reserve Bank and other treasury accounts (Rs. 5,321).

The major portion of the debit balance under Bombay represents the value of uncurrent silver coins transferred to the surplus silver stock account. The balances are being cleared in the accounts for 1944-45. The debit balance in the Punjab is made up of (i) quaternary rupee coin remittances (Rs. 71,00,000) (ii) accepted value of current coin (Rs. 11,178), (iii) accepted value of uncurrent coin (Rs. 54,975), (iv) remittances made but adjusted by Treasury Officer in 1944-45 (Rs. 4,500), (v) erroneous or excess adjustment (Rs. 13,870), less (i) value of defective quaternary coins (Rs. 41), (ii) deficiency found in remittance being under settlement (Rs. 42) and (iii) value of silver stock transferred from surplus silver stock account (Rs. 3.)

261. *Small Coin Depot Remittances*.—The differences of Rs. 3,336 and Rs. 48,392 in Madras and the United Provinces respectively between the ledger and the broadsheet balances are under adjustment.

262. *Baluchistan Suspense*.—This head appears on the books of Central Revenues and Baluchistan. It is a running account of transactions originating in the accounts of Central Revenues on account of Baluchistan and in the accounts of Baluchistan on account of Central Revenues. The balance represents the balance of transactions between the accounts of Central Revenues and Baluchistan which could not be adjusted completely in the year under report.

263. *Coorg Suspense*.—This head represents similar transactions between Coorg and Madras in the books of the Accountant General, Madras.

264. *Transfers between Officers of the Military Engineer Services*.—The unadjusted balance under this head mainly representing the cost of stores, etc., transferred between the Officers of the Military Engineer Services has been cleared during 1944-45.

265. *Posts and Telegraphs Remittances*.—The balance under this head is composed of :—

	Dr. Rs.
(1) Transfers between Postal and Telegraph Officers within the jurisdiction of the same Audit Office	1,12,43,219
(2) Transfers between Postal and Telegraph Officers within the jurisdiction of other Audit Offices	1,72,67,462
Total ..	<u>2,85,10,681</u>

Reserve Bank of India Remittances **Cr. Rs.** **1,15,282**

266. A scheme was introduced by the Reserve Bank of India with effect from the 1st October, 1940 to standardise and extend remittance facilities throughout India and Burma. At places where the Reserve Bank has no offices of its own or is not represented by offices or branches of the Imperial Bank, the issue and payment of telegraphic transfers and drafts on Reserve Bank account is undertaken by Government treasuries and sub-treasuries as "Treasury Agencies" of the Bank. Receipts and payments taking place in treasuries on this account are accounted for under this head, and are initially carried against Government balances until cleared with the Bank through daily advices of drawings and encashments. The debits and credits booked under this head are ultimately cleared by corresponding adjustments under the head "Reserve Bank Deposits".

The details of the balance by circles of account are as under :—

								Rs.
Central Revenues	..	..	..	..	..	..	Cr.	1,15,402
Bombay	..	..	..	..	..	..	Cr.	16,973
Punjab	..	..	..	..	..	..	Dr.	20,946
Assam	..	..	..	..	..	..	Cr.	3,853
<i>Net Cr.</i>								<u>1,15,282</u>

The outstanding balances were due to late receipt of treasury schedules.

Remittances adjusted on the Central Books (Central
Adjusting Account for 1943-44) **Cr. Rs.** **667**

267. The above balance is made up of (i) Dr. Rs. 16,188 and (ii) Cr. Rs. 16,855. The items included therein have mostly been adjusted already in the accounts for 1944-45 and the remaining items are also expected to be cleared in the accounts for the same year.

Adjusting Account between Central and Provincial
Governments **Dr. Rs.** **59,88,069**

268. The transactions between the Central and the Provincial Governments are settled by the correction of their respective balances through the Reserve Bank of India. Until this correction is effected, the transactions are kept in the books of the originating Accounts Circle under the head "Adjusting Account between Central and Provincial Governments". The above balance represents the outstanding amount for which monetary settlement could not be effected in the Reserve Bank's accounts for the year 1943-44.

Adjusting Account between Central and Provincial Governments—*concd.*

269. The details of the balance by circles of account are given below :—

Circles of account. (1)	Central Reve- nues. (2)	Supply Ac- counts, (Civil.) (3)	Madras. (4)	Bombay. (5)	Bengal. (6)	United Pro- vinces. (7)	Punjab (8)	Bihar. (9)	Central Pro- vinces and Berar. (10)	Assam. (11)	North- West Frontier Pro- vince. (12)	Orissa. (13)	Sind. (14)	Total. (15)
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Adjusting Account between Central Revenues and Supply Accounts, Civil ..	..	—5,27,163	..	..	..	..	..	..	..	..	..	..	..	..
Do. Madras ..	+3,74,116	..	+2,35,281	..	..	..	..	..	..	..	..	..	..	—5,27,163
Do. Bombay ..	+79,084	..	..	+18,31,405	..	..	..	..	..	..	..	..	..	+6,09,397
Do. Bengal ..	+25,831	..	..	..	—8,41,812	..	..	..	..	..	..	..	..	+19,10,489
Do. United Provinces ..	—1,74,889	..	..	..	..	—4,48,135	..	..	..	..	..	..	..	—8,15,981
Do. Punjab ..	—1,95,608	..	..	..	..	..	—23,96,677	..	..	..	..	..	..	—6,23,024
Do. Bihar ..	+1,35,639	..	..	..	..	..	..	—9,367	..	..	..	..	..	—25,92,285
Do. Central Provinces and Berar ..	+44,185	..	..	..	..	..	..	..	—30,481	..	..	..	..	+1,26,272
Do. Assam ..	—13,915	..	..	..	..	..	..	..	..	—32,97,156	..	..	..	+13,704
Do. North- West Frontier Province ..	+33,364	..	..	..	..	..	..	..	..	..	—5,76,569	..	..	—33,11,071
Do. Orissa ..	+16,775	..	..	..	..	..	..	..	..	..	..	—43,346	..	—5,43,205
Do. Sind ..	+30,660	..	..	..	..	..	..	..	..	..	..	..	—2,39,291	—26,571
Total ..	+3,55,242	—5,27,163	+2,35,281	+18,31,405	—8,41,812	—4,48,135	—23,96,677	—9,367	—30,481	—32,97,156	—5,76,569	—43,346	—2,39,291	—59,88,069

(Credit +, Debit—.)

Adjusting Account with Railways . . . Dr. Rs. 39,55,938

Accounts with Provinces, etc. Dr. Rs. 11,61,916

270. Owing to the *pro forma* separation of the balances of Railways from the balances of the Central Government from the 1st April, 1939, all transactions with or on behalf of Railways arising in the accounts of the Central (Non-Railways) and Provincial Governments are adjusted with the Reserve Bank against the balance of the *pro forma* Railway Fund. These two major heads have been opened for the initial adjustment of transactions with Railways. The former head is operated upon by all Civil Accountants General, while the latter head is used by the Railway Accounts Officers concerned in connection with the transactions originating in the Railway accounts which are adjustable against the balances of the Central and the Provincial Governments. The above balances represent the outstanding amounts for which monetary settlement could not be effected in the Reserve Bank's accounts for 1943-44.

Adjusting Account with Railways.—The balance under this head consists of—

(i) Rs. 12,82,846 (debit) on the books of the Controller of Supply Accounts (Civil) and

(ii) Rs. 26,73,142 (debit) on the books of the Accountant General, Central Revenues.

Accounts with Provinces, etc.—The balance under this head represents outstanding amount for which settlement could not be effected in the Reserve Bank's Account during the year under report. It comprises South Indian Railway (Rs. 79,913 debit), North Western Railway (Rs. 3,94,585 debit), Great Indian Peninsula Railway (Rs. 12,50,354 debit), Madras and Southern Marhatta Railway (Rs. 5,61,602 credit) and Oudh and Tirhut Railway (Rs. 1,334 credit).

Six cases of misclassifications noticed during test audit have resulted in a net short debit of Rs. 1,62,200.

The balances under the above two heads are being cleared in 1944-45.

Accounts between Departments Dr. Rs. 3,83,58,908

271. The balances recorded under this head differ in kind from those reviewed in the previous paragraphs as they represent balances between two of the sets of accounts in respect of the amount by which one set of accounts could not take up the debits and credits passed on to it by the other. As balances, therefore, they do not exist elsewhere than upon the Central books, for each local Accounts Officer writes off each year the amounts which he passes on to another. The following are the separate ledger balances under this account :—

	Dr. Rs.	Cr. Rs.
Accounts between Civil and Civil	19,46,980	..
Exchange Accounts between Defence Accounts Officers (including Navy)	82,21,476	..
Exchange Accounts between Posts and Telegraphs and Defence Services (including Navy)	1,31,29,353	..
Exchange Accounts between Civil and Posts and Telegraphs . . . . .	..	32,24,150
Exchange Accounts between Civil and Defence Services (including Navy)	1,82,85,249	..
Total	4,15,83,058	32,24,150
Net Dr.	3,83,58,908	

272. The net debit of Rs. 3,83,58,908 is composed of :—

	Dr.	Cr.
	Rs.	Rs.
Cheques	4,88,28,337	9,71,98,699
Miscellaneous Items	7,52,05,88,676	7,43,38,59,406
Total ..	7,56,94,17,013	7,53,10,53,05
Net Dr. ..	3,83,58,908	

Cheques.—The debits represent payments made on cheques during 1943-44 for which corresponding credits were not afforded till the following year, while the credits represent the amount of cheques issued in 1943-44 but not paid during the year.

Miscellaneous Items.—The outstandings have been mostly adjusted in the accounts for 1944-45 with the exception of a few disputed claims. The progress of adjustment has been generally satisfactory. The outstandings are subject to a careful scrutiny in the office of the Auditor General of India and steps are taken to adjust them as expeditiously as possible.

Transfers between Railways Dr. Rs. 3,58,230

273. This represents transactions originated by one accounting unit against another on the same Railway during the year under report but which could not be responded to during the same year owing to loss of the relevant voucher and the transfer certificates. The balance is being cleared in the accounts for 1944-45.

II.—REMITTANCES BETWEEN ENGLAND AND INDIA—

Remittance Account between England and India—

	Items Adjustable in	
	India.	England.
Accounts with the Secretary of State—	Rs.	£
I.—Items Adjustable in India (£ 138,182-1-4 converted into Rupees at £ 1=Rs. 13½) Cr.	18,42,428	
II.—Items Adjustable in England .. Cr.		5,489,573
Accounts with the High Commissioner for India—		
I.—Items Adjustable in India (£ 3,234-17-6 converted into Rupees at £ 1=Rs. 13½) Dr.	43,132	
II.—Items Adjustable in England .. Dr.		1,407
Net Cr.	17,99,296	5,488,166

274. It comprises transactions, mainly of a miscellaneous character, passed on from England to India or *vice versa*, for adjustment in the accounts of the other and represents the net balance in respect of the amounts by which each set of accounts could not take up the debits and credits passed on by the other. The outstanding amount is normally an asset or liability to Government.

SECTION V.—CASH BALANCE	INDIA	Dr. Rs.	82,57,57,705
	ENGLAND	Dr. £	811,733

275. The Cash Balances in INDIA were distributed as follows :—

Province.	Cash in District Treasuries.	At credit of Government with the Reserve Bank of India and its branches.
	Dr. Rs.	Dr. Rs.
India General	—58,47,191	83,44,40,602
Baluchistan	—5,07,745	..
Bombay	—5,27,352	..
Biher	22,99,500	..
Central Provinces and Berar	2,47,850	..
Assam	—50,66,606	..
North-West Frontier Province	—23,362	..
Orissa	—4,00,200	..
Coorg	1,26,719	..
Total-	—86,82,897	83,44,40,602
Total	Dr.	82,57,57,705

The *minus* balances shown against India General, Bombay, Assam, North-West Frontier Province and Orissa represent the amount of remittances in transit at the end of the year under report.

276. The figures under Cash in District Treasuries in some Provinces include the amount of remittances in transit at the close of the year. The treasury balances have all been agreed with the Cash Balance Reports for March, 1944 except in the case of Government of India Treasury Officer's account, Tehran under India General, Central Provinces and Berar, Assam and Orissa. The discrepancy in the case of Tehran is due to adoption of estimated figures as no Cash Balance Report was received. The other discrepancies of Rs. 1,26,150, Rs. 2,28,669 and Rs. 22,800 in the balances pertaining to Central Provinces and Berar, Assam and Orissa respectively have been cleared in 1944-45. The cash balance of the Central Government with the Reserve Bank of India at the end of 1943-44 including the balance of the Railway Fund created *pro forma* stood at Rs. 83,44,40,602 against Rs. 83,49,06,322 reported by the Bank. The difference of Rs. 4,65,720 has been settled in the accounts for 1944-45.

277. The balance against India General includes a sum of Rs. 64,56,083 (net credit) being the closing balance under the head "Foreign Remittances" outstanding on the 31st March, 1944. Out of this, a sum of Rs. 64,42,050 has been cleared and the balance of Rs. 14,033 (net credit) will be cleared before the close of the year 1944-45.

278. The Cash Balances in ENGLAND were distributed as follows :—

Secretary of State—	Dr. £
Cash in hand or at the Bank of England	562,583
High Commissioner for India—	
Cash at the Reserve Bank of India and in the hands of the Cashier	249,145
Total	811,733

B.—DEBT DEPOSITS AND REMITTANCE ACCOUNTS.**II.—ACCOUNTS.****No. 1.—SUMMARY OF RECEIPTS AND DISBURSEMENTS BY MAJOR HEADS.**

Heads of Receipts. (1)	Actuals for 1913-44 (2)	Heads of Disbursements. (3)	Actuals for 1913-44 (4)
N.—Public Debt Incurred—		N.—Public Debt Discharged—	
A.—Debt raised in India—		A.—Debt raised in India—	
Permanent Debt ..	2,76,34,72,042	Permanent Debt ..	16,67,92,400
Floating Debt ..	7,05,91,50,000	Floating Debt ..	8,69,99,75,000
B.—Debt raised in England—		B.—Debt raised in England—	
Permanent Debt ..	..	Permanent Debt ..	19,65,57,745
Total ..	9,82,26,22,042	Total ..	8,96,33,25,145
	(a) (b)		(a)
O.—Unfunded Debt—		O.—Unfunded Debt—	
Deposits of Service Funds ..	24,00,213	Special Loans ..	4,295
Savings Bank Deposits ..	20,78,16,854	Deposits of Service Funds ..	34,10,252
Post Office Certificates ..	16,58,93,915	Savings Bank Deposits ..	24,20,28,887
State Provident Funds ..	11,18,26,382	Post Office Certificates ..	6,45,38,645
Other Accounts ..	1,31,50,122	State Provident Funds ..	6,40,28,016
Total ..	69,10,87,486	Other Accounts ..	84,74,830
		Total ..	38,24,84,925
P.—Deposits and Advances—		P.—Deposits and Advances—	
Part I.—Deposits bearing Interest—		Part I.—Deposits bearing Interest—	
(A) Reserve Funds—		(A) Reserve Funds—	
Depreciation Reserve Fund—		Depreciation Reserve Fund—	
Railways ..	17,36,79,364	Railways ..	6,64,62,295
Railway Reserve Fund ..	13,20,07,012	Railway Reserve Fund ..	..
Renewals Reserve Fund—		Renewals Reserve Fund—	
Posts and Telegraphs ..	46,33,000	Posts and Telegraphs ..	33,22,041
Renewals Reserve Fund—		Renewals Reserve Fund—	
Northern India Salt and Central Excises Department ..	1,30,000	Northern India Salt and Central Excises Department ..	1,05,762
Depreciation Reserve Fund—		Depreciation Reserve Fund—	
Lighthouses and Lightships ..	54,593	Lighthouses and Lightships ..	..
General Reserve Fund—		General Reserve Fund—	
Lighthouses and Lightships ..	4,17,574	Lighthouses and Lightships ..	—709
Other Deposits ..	40,10,40,565	Other Deposits ..	3,09,01,724
Total—Deposits bearing Interest ..	71,19,62,144	Total—Deposits bearing Interest ..	10,07,91,113
Part II.—Deposits not bearing Interest—		Part II.—Deposits not bearing Interest—	
(A) Sinking Funds—		(A) Sinking Funds—	
Appropriation for Reduction or Avoidance of Debt—		Appropriation for Reduction or Avoidance of Debt—	
Sinking Funds ..	95,04,000	Sinking Funds ..	..
Other Appropriations ..	2,04,96,000	Other Appropriations ..	..

(a) Excludes Rs. 1,27,32,600 under Receipts as well as under Disbursements on account of conversion of non-terminable loans (see footnote under Account No. 3.)

(b) Excludes Rs. 532,387 as explained by a footnote under Account No. 2.

No. 1.—SUMMARY OF RECEIPTS AND DISBURSEMENTS BY MAJOR HEADS—*contd.*

Heads of Receipts. (1)	Actuals for 1943-44. (2)	Heads of Disbursements. (3)	Actuals for 1943-44. (4)
P.—Deposits and Advances—<i>contd.</i>	Rs.	P.—Deposits and Advances—<i>contd.</i>	
Part II.—Deposits not bearing Interest— <i>concl.</i>		Part II.—Deposits not bearing Interest— <i>concl.</i>	
(B) Reserve Funds—		(B) Reserve Funds—	
Silver Redemption Reserve	5,63,08,976	Silver Redemption Reserve	5,63,04,670
Civil Aviation Fund	3,00,000	Civil Aviation Fund	6,39,498
Central Road Fund	1,70,00,457	Central Road Fund	78,13,084
Post Office Cash Certificates Bonus Fund	42,00,053	Sugar Excise Fund	11,27,407
Sugar Excise Fund	70,30,419	Fund for Economic Development and Improvement of Rural Areas ..	10,09,889
Fund for Development of Civil Aviation	20,00,000	Fund for Development of Civil Aviation	12,01,305
Fund for Special Frontier Expenditure including Development	25,23,709	Fund for Special Frontier Expenditure including Development	1,61,670
Fund for Development of Broadcasting	12,00,000	Fund for Development of Broadcasting	9,98,276
Depreciation Reserve Fund—		Depreciation Reserve Fund—	
Government Presses	1,13,369	Government Presses	98,050
Panth Piplooda Reserve Fund	182	Panth Piplooda Reserve Fund .. ..	..
Fund for the relief of Ground-nut cultivators .. ..	..	Fund for the relief of Ground-nut cultivators .. ..	..
Fund for the benefit of Cotton growers	1,04,88,372	Fund for the benefit of Cotton growers	2,20,796
(C) Other Deposit Accounts—		(C) Other Deposit Accounts—	
Deposits of Local Funds	3,24,21,181	Deposits of Local Funds	2,89,69,788
Deposits of Branch Line Companies	80,240	Deposits of Branch Line Companies	60,408
Departmental and Judicial Deposits—		Departmental and Judicial Deposits—	
Civil Deposits	1,23,64,31,072	Civil Deposits	1,13,72,54,928
Other Deposits	37,55,54,680	Other Deposits	29,24,59,713
Transactions connected with the War, 1939	14,08,96,354	Transactions connected with the War, 1939	19,98,213
Other Accounts	67,40,25,034	Other Accounts	34,71,81,635
Balance of Coorg	5,68,747		
Total—Deposits not bearing interest	2,59,11,42,854	Total—Deposits not bearing interest	1,87,89,42,890
Part III.—Advances not bearing Interest—		Part III.—Advances not bearing Interest—	
Advances Repayable	1,66,94,88,070	Advances Repayable	1,70,99,71,064
Permanent Advances	3,77,162	Permanent Advances	4,29,426
Accounts with Foreign Governments and Indian States	7,57,19,686	Accounts with Foreign Governments and Indian States	8,44,18,611
Account with the Government of Burma	22,30,782	Accounts with the Burma Railway Board	1,96,862

No. 1.—SUMMARY OF RECEIPTS AND DISBURSEMENTS BY MAJOR HEADS—*concl'd.*

Heads of Receipts.	Actuals for 1943-44.	Heads of Disbursements.	Actuals for 1943-44.
(1)	(2)	(3)	(4)
	Rs.		Rs.
P.—Deposits and Advances—<i>concl'd.</i>		P.—Deposits and Advances—<i>concl'd.</i>	
Part III.—Advances not bearing Interest— <i>concl'd.</i>		Part III.—Advances not bearing Interest— <i>concl'd.</i>	
Accounts with the Reserve Bank	36,14,592	Accounts with the Reserve Bank	5,21,087
Accounts with His Majesty's Imperial Government	1,93,227	Accounts with His Majesty's Imperial Government	2,18,054
Coinage Account	2,99,76,767	Coinage Account	5,27,26,843
Total—Advances not bearing Interest	1,78,16,00,286	Total—Advances not bearing Interest	1,84,84,81,947
Part IV.—Suspense—		Part IV.—Suspense—	
Suspense Accounts	59,06,05,809	Suspense Accounts	2,21,43,721
Purchases and Sales of Silver	21,69,34,069	Purchases and Sales of Silver	12,01,88,562
Cheques and Bills	1,01,38,007	Cheques and Bills	5,54,460
Departmental and similar Accounts	46,28,578	Transactions connected with Burma notes	29,75,650
Transactions connected with the War, 1939	4,59,355	Departmental and similar Accounts	88,12,900
Total—Suspense	82,27,65,818	Transactions connected with the War, 1939	13,24,941
Part V.—Miscellaneous—		Payments to Reserve Bank for loss of currency due to enemy action	12,71,700
Miscellaneous	2,64,50,789	Total—Suspense	15,72,71,734
Total	5,93,39,21,891	Part V.—Miscellaneous—	
		Miscellaneous	2,72,40,850
		Total	4,01,27,28,514
Q.—Loans and Advances by the Central Government—		Q.—Loans and Advances by the Central Government—	
Advances to Provincial Governments	26,02,87,610	Advances to Provincial Governments	13,62,48,137
Advances to Crown Representative	12,04,868	Advances to Crown Representative	4,87,198
Advances to the Government of Coorg	60,430	Loans to Indian States	9,15,000
Loans to Indian States	2,07,88,740	Loans to Local Funds, etc.	98,02,233
Loans to Local Funds, etc.	1,44,85,063	Loans to Government Servants	11,33,133
Loans to Government Servants	9,86,663	Total	14,85,85,701
Total	29,78,13,374		
S.—Remittances—		S.—Remittances—	
I.—Remittances within India—		I.—Remittances within India—	
Money Orders	1,52,31,73,379	Money Orders	1,51,46,66,410
Cash Remittances and Adjustments between officers rendering accounts to the same Accountant General or Comptroller		Cash Remittances and Adjustments between officers rendering accounts to the same Accountant General or Comptroller	1,48,73,599

No. 2.—STATEMENT SHOWING CAPITAL AND OTHER EXPENDITURE (OUTSIDE THE REVENUE ACCOUNT) TO END OF THE YEAR AND THE PRINCIPAL SOURCES FROM WHICH FUNDS WERE PROVIDED FOR THAT EXPENDITURE.

Capital and Other Expenditure.	On 1st April, 1943.	On 31st March, 1944.	Increase (+) Decrease (—) in the year end- ing 31st March, 1944.
(1)	(2)	(3)	(4)
	Rs.	Rs.	Rs.
I.—Capital Expenditure—			
Commercial Departments—			
Railways	(a) 7,72,37,81,170	7,80,73,34,092	+8,35,52,922
Posts and Telegraphs	(b) 25,06,21,444	28,94,41,503	+3,88,20,059
Irrigation	1,73,01,699	1,73,26,350	+24,651
Other Commercial Departments and Under- takings	6,39,96,638	6,51,65,640	+11,69,002
Total Commercial Departments	(a) (b) 8,05,57,00,951	8,17,92,67,585	+12,35,66,634
Other Departments—			
New Capital at Delhi	16,63,86,606	16,63,59,344	—27,262
Other Accounts	68,45,54,996	1,20,48,04,820	+52,02,49,824
Total Other Departments	85,09,41,602	1,37,11,64,164	+52,02,22,562
Total Capital Expenditure	(a) (b) 8,90,66,42,553	9,55,04,31,749	+64,37,89,196
2.—India's Financial Contribution to the Great War, 1914-18			
	1,50,00,00,000	1,50,00,00,000	..
3.—Loans and Advances—			
Advances to Provincial Governments	1,11,10,29,404	98,69,89,932	—12,40,39,472
Advances to the Government of Coorg	1,20,861	60,430	—60,431
Advances to Crown Representative	(c) 24,19,464	17,01,794	—7,17,670
Advances to Indian States, Local Bodies, etc. (c)	18,51,09,084	16,06,98,984	—2,44,10,100
Total Loans and Advances	(c) 1,29,86,78,813	1,14,94,51,140	—14,92,27,673
Total Capital and other Expenditure (a) (b) (c)	11,70,53,21,366	12,19,98,82,889	+49,45,61,523
4.—Deduct—Contribution from Revenue for Capital Expenditure			
	—20,22,28,116	—20,44,58,660	—22,30,744
5.—Net Capital and other Expenditure outside the Revenue Account	(a) (b) (c) 11,50,30,93,250	11,99,54,24,029	+49,23,30,779

(a) Excludes Rs. 14,14,534 having been transferred or dropped without financial adjustment as explained against various Railways in Account No. 6 of Part A. II.—Accounts, *vide* footnotes (h), (l) and (m) under "69A and 69B".

(b) Increased by Rs. 26,243 representing (i) net result of misclassification of previous years affecting Capital and Revenue Account (Rs. 3,787) and (ii) inter-branch transfer of buildings (Rs. 22,456) *vide* also footnote (a) in statement No. 6 of Part A-II.—Accounts under "69.—Capital Outlay on Posts and Telegraphs."

(c) Differs from the last year's closing balance by reason of correction since made.

No. 2.—STATEMENT SHOWING CAPITAL AND OTHER EXPENDITURE (OUTSIDE THE REVENUE ACCOUNT) TO END OF THE YEAR AND THE PRINCIPAL SOURCES FROM WHICH FUNDS WERE PROVIDED FOR THAT EXPENDITURE— *contd.*

Principal Sources of Funds.	On 1st April, 1943.	On 31st March, 1944.	Increase (+) Decrease(—) in the year end- ing 31st March, 1944.
(1)	(2)	(3)	(4)
	Rs.	Rs.	Rs.
1.—Capital Contributed by Railway Companies and Indian States	(a) 14,09,01,099	13,73,89,801	—35,11,298
2.—Debt—			
Permanent Debt—			
<i>In India</i> —Nominal Value	7,52,00,71,795	10,11,67,51,436	+2,59,66,79,641
<i>Less</i> —Unredeemed Discount.. .. .	—8,35,91,407	—9,32,74,898	—96,83,491
<i>In England</i> —Nominal Value			
(Sterling converted into Rs. at £1 = Rs. 13 1/3)	87,88,27,958	68,28,02,601	—19,60,25,357
<i>Less</i> —Unredeemed Discount.. .. .	—4,89,33,873	—4,41,54,292	+44,79,581
Floating Debt	2,64,69,50,000	1,10,61,25,000	—1,54,08,25,000
Unfunded Debt—			
Savings Bank Deposits	52,62,40,420	68,20,28,387	+15,57,87,967
Post Office Certificates	40,14,03,162	50,27,58,433	+10,13,55,271
State Provident Funds, etc.	1,00,44,47,588	1,05,59,06,913	+5,14,59,325
Total Debt	12,84,54,15,643	14,00,86,43,580	+1,16,32,27,937
3.—Sinking Funds and Reserve Funds	1,28,33,07,858	1,56,98,44,561	+28,65,36,703
4.—Net Balance under Deposits, Advances, etc., other than those shown separately	66,47,65,074	2,19,33,13,942	+1,52,85,48,868
5.—Remittances	(b) 5,56,53,980	(c) 1,23,25,716	—4,33,28,264
Total Debt and Other Obligations*	(a) (b) 14,99,00,43,654	17,92,15,17,600	+2,93,14,73,946
6.— <i>Deduct</i> —Cash Balance	—18,23,15,468	—83,65,80,811	—65,42,65,343
7.— <i>Deduct</i> —Investments	—1,10,96,38,073	—1,01,88,06,283	+9,08,32,390
8.—Net provision of Funds	(a) (b) 13,69,80,89,513	16,06,61,30,506	+2,36,80,40,993

(a) Reduced by Rs. 19,46,921 due to exclusion of Rs. 9,78,367 (being the difference between Rs. 12,78,863 and Rs. 3,00,496) relating to Jorhat, Rs. 3,09,253 to South Indian Railway and Rs. 1,26,914 to Bengal Nagpur Railway dropped without financial adjustment and Rs. 5,32,387 representing the unredeemed portion of the debentures of the South Indian Railway Company taken over as State Debt and treated as Government Outlay [See foot note (k) under Account No. 6 of Part A-II.—Accounts].

(b) Differs from the last year's closing balance by Rs. 415 by reason of correction since made so as to accord with the correct balance under this head as shown under Section S.—Remittances in that year's account.

(c) Differs from the corresponding balance under this head as shown in paragraph 253 (India and England taken together) and in the table below paragraph 9 by Rs. 133 as explained below:—

Rs. 415 See foot note (b) above.

Rs. 55 See item (5) below paragraph 10 of Part B-1.—Report.

Rs.—338 See item (4) below paragraph 10 of Part B-1.—Report.

Rs. 1 Due to rounding.

Rs. 133

No. 3.—STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS, SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT, ETC., DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC., AT THE COMMENCEMENT AND CLOSE OF THE YEAR.

Description of Debt.	Amount on 1st April 1943.	Additions during the year.	Discharges during the year.	Amount on 31st March, 1944.
(1)	(2)	(3)	(4)	(5)
	Rs.	Rs.	Rs.	Rs.
F.—Public Debt—				
A.—Debt raised in India—				
(a) PERMANENT DEBT—				
(i) Loans bearing Interest—				
5 per cent. Loan, 1945-55 ..	56,74,93,800	..	100	56,74,93,700
4½ per cent. Loan for Indore State Railway ..	70,00,000	..	..	70,00,000
4½ per cent. Loan, 1950-55 ..	8,07,51,200	10,000	1,34,26,300	6,73,37,900
4½ per cent. Loan, 1953-68 ..	5,83,67,000	85,334	34	5,84,52,900
4½ per cent. Loan, 1955-60 ..	9,05,63,700	..	..	9,05,63,700
4 per cent. Loan, 1960-70 ..	63,30,26,300	..	..	63,30,26,300
4 per cent. Loan, 1948-53 ..	5,02,32,900	1,333	33	5,02,34,200
4 per cent. Loan, from Maharaja Scindia for State Railway ..	1,50,00,000	..	..	1,50,00,000
3½ per cent. Loan, 1947-50 ..	55,94,36,900	..	..	55,94,36,900
3½ per cent. Loan, 1842-43 ..	66,21,08,550	5,00,00,000	100	71,77,31,450
3½ per cent. Loan, 1851-55 ..	30,37,59,347	(a) 59,73,800 10,00,00,000	(a) 3,50,800 (b) 1.663	33,85,42,154
3½ per cent. Loan, 1865 ..	60,72,65,400	(a) 1,64,400 5,00,00,000	(a) 53,79,900 300	65,52,20,000
3½ per cent. Loan, 1879 ..	10,39,30,000	(a) 6,98,200 8,00,00,000	(a) 27,43,300	18,17,33,100
3½ per cent. Loan, 1900-01 ..	67,20,03,400	(a) 7,74,900 10,00,00,000	(a) 29,71,800 400	77,58,37,500
3½ per cent. Loan, 1954-59 ..	12,31,24,500	(a) 51,21,300 3,44,111	(a) 12,86,800 411	12,34,68,200
3 per cent. Loan, 1896-97 ..	8,39,40,900	38,48,600	2,100	8,77,87,400
3 per cent. Loan, 1951-54 ..	72,21,48,600	14,51,23,300	..	86,72,71,900
3 per cent. Loan, 1953-55 ..	..	1,10,85,11,300	..	1,10,85,11,300
3 per cent. Loan, 1963-65 ..	75,96,36,300	15,21,10,400	..	91,17,46,700
3 per cent. Loan, 1949-52	66,63,53,500	..	..	66,63,53,500
3 per cent. Defence Bonds, 1916 ..	45,14,32,200	20,00,00,000	..	65,14,32,200
3 per cent. Funding Loan, 1933-68 ..	..	75,11,78,000	..	75,11,78,000
2½ per cent. Loan, 1948-52 ..	12,01,28,000	..	..	12,01,28,000
Total Loans bearing Interest .. (c)	7,33,77,06,097	2,75,39,44,978	2,61,64,041	10,06,54,87,034
(ii) Loans not bearing Interest—				
6½ per cent. Treasury Bonds, 1935 ..	2,24,700	..	51,500	1,73,200
6 per cent. Bonds, 1932 ..	53,000	..	3,000	50,000
6 per cent. Bonds, 1931 ..	18,600	..	5,000	13,600
6 per cent. Bonds, 1930 ..	2,89,800	..	3,300	2,86,500
6 per cent. Bonds, 1927 ..	83,300	..	..	83,300
6 per cent. Bonds, 1926 ..	80,600	..	6,200	74,400

(a) Represents additions and discharges due to conversion of non-terminable Loans.

(b) Represents payment of commuted value of interest on Amanoti stock certificates.

(c) Differs from last year's closing balance by reason of transfer since made [See Loans not bearing Interest.]

No. 3.—STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS, SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT, ETC., DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC., AT THE COMMENCEMENT AND CLOSE OF THE YEAR—*contd.*

Description of Debt. (1)	Amount on 1st April 1943. (2)	Additions during the year. (3)	Discharges during the year. (4)	Amount on 31st March, 1944. (5)
	Rs.	Rs.	Rs.	Rs.
I.—Public Debt—<i>contd.</i>				
A.—Debt raised in India—<i>contd.</i>				
(a) PERMANENT DEBT— <i>contd.</i>				
(ii) Loans not bearing Interest— <i>contd.</i>				
6 per cent. Bonds, 1933-36 ..	72,900	..	5,000	67,900
5½ per cent. War Bonds, 1928 ..	1,12,875	..	..	1,12,875
5½ per cent. Bonds, 1925 ..	12,750	..	..	12,750
5½ per cent. War Bonds, 1923 ..	46,300	..	(a) 46,300	..
5½ per cent. Loan, 1938-40 ..	78,500	..	15,200	63,300
5 per cent. Loan, 1942-47 ..	48,000	..	..	48,000
5 per cent. Bonds, 1933 ..	41,400	..	..	41,400
5 per cent. Bonds, 1935 ..	24,200	..	..	24,200
5 per cent. Loan, 1940-43 ..	3,38,100	..	85,000	2,53,100
5 per cent. War Loan, 1929-47 ..	2,43,250	..	1,600	2,41,650
5 per cent. Loan, 1939-44 ..	2,87,000	..	46,700	2,40,300
4½ per cent. Bonds, 1934 ..	1,54,800	..	..	1,54,800
4 per cent. Terminable Loan of 1915-16 ..	18,100	..	(b) 18,100	..
4 per cent. Conversion Loan of 1916-17 ..	19,000	..	..	19,000
4 per cent. Loan, 1934-37 ..	2,07,700	..	..	2,07,700
4 per cent. Bonds, 1943 ..	14,97,17,700	..	14,89,85,400	7,32,300
3 per cent. Bonds, 1941 ..	1,69,600	..	5,000	1,64,600
Total Loans not bearing Interest ..	(b) 15,23,42,175	..	14,92,77,300	30,64,875
(iii) Interest Free Loans—				
Three year Interest-Free Defence Bonds ..	3,00,23,523	41,74,494	40,83,659	3,01,14,358
Five year Interest free prize Bonds, 1949 ..	..	1,80,85,170	..	1,80,85,170
Total Interest Free Loans ..	3,00,23,523	2,22,59,664	40,83,659	4,81,99,528
(b) FLOATING DEBT—				
Treasury Bills ..	2,64,69,50,000	6,71,91,50,000	8,25,99,75,000	1,10,61,25,000
Temporary Loans from the Reserve Bank of India ..	..	34,00,00,000	34,00,00,000	..
Total Floating Debt ..	2,64,69,50,000	7,05,91,50,000	8,59,99,75,000	1,10,61,25,000
B.—Debt raised in England—				
PERMANENT DEBT—				
(i) Loans bearing Interest—				
Indian Stock—				
India 4½ per cent. Stock, 1950-55 ..	4,99,58,471	..	9,48,852	4,90,09,619
India 4½ per cent. Stock, 1958-68 ..	3,03,64,751	..	5,49,600	2,98,15,151
India 4 per cent. Stock, 1948-53 ..	96,15,847	..	1,82,667	94,33,180

(a) Represents nominal value of securities deposited with Government, but remaining unclaimed for more than 20 years.

(b) Differs from last year's closing balance by reason of transfer since made (See Loans bearing Interest.)

FINANCE ACCOUNTS, CENTRAL GOVERNMENT.

No. 3.—STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT, ETC., DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC., AT THE COMMENCEMENT AND CLOSE OF THE YEAR—*contd.*

Description of Debt. (1)	Amount on 1st April 1943. (2) Rs.	Additions during the year. (3) Rs.	Discharges during the year. (4) Rs.	Amount on 31st March, 1944. (5) Rs.
I.—Public Debt—<i>contd.</i>				
B.—Debt raised in England—<i>contd.</i>				
PERMANENT DEBT—<i>contd.</i>				
(i) Loans bearing Interest— <i>contd.</i>				
India Stock—				
India 3½ per cent. Stock, 1954-59	1,02,07,535	..	3,44,111	98,63,421
India 3 per cent. .. Stock, 1948 or after	2,94,31,381	..	38,48,509	2,55,82,782
India 3 per cent. Stock, 1949- 52	92,45,025	..	50,667	91,94,358
India 2½ per cent. .. Stock, 1926 or after	51,74,225	..	4,73,839	47,00,386
Railway Debenture Stock—				
Burma Railway 3 per cent. Debenture Stock	8,80,667	..	5,89,334	2,91,333
Bengal and North Western Railway 5 per cent. Debenture Stock (1945-60)	10,66,667	..	8,87,267	1,79,400
East Indian Railway 4½ per cent. Irredeemable Debenture Stock	18,79,733	..	15,99,867	2,79,866
East Indian Railway 3 per cent. New Debenture Stock	98,51,600	..	84,98,933	13,52,667
Eastern Bengal Railway 4 per cent. Irredeemable Debenture Stock	3,22,213	..	2,67,253	54,960
Great Indian Peninsula Railway 4 per cent. Irredeemable Debenture Stock	25,12,333	..	22,05,457	4,07,199
South Indian Railway 4½ per cent. Perpetual Debenture Stock	5,11,333	..	3,83,667	1,24,666
South Indian Railway 4 per cent. (1945 or after) .. .. .	..	5,32,387	..	5,32,387
Capital portion of Annuities created in purchase of Railways—				
East Indian Railway Annuity terminating 14th February, 1953	12,67,45,024	..	..	..
Eastern Bengal Railway Annuity terminating 30th July, 1957	1,74,83,426	..	99,26,735	11,68,18,289
Great Indian Peninsula Railway Annuity terminating 17th August, 1948	8,74,29,912	..	8,93,406	1,65,90,020
Madras Railway Annuity terminating 1st April, 1956	6,95,28,352	..	1,45,24,519	7,29,05,393
Scinde Punjab and Delhi Railway Annuity terminating 1st January, 1959	5,88,47,183	..	41,05,303	6,54,23,049
.. .. .	..	27,26,402	..	5,61,20,781

No. 3.—STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT, ETC., DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC., AT THE COMMENCEMENT AND CLOSE OF THE YEAR—*concl'd.*

Description of Debt. (1)	Amount on 1st April, 1943. (2)	Additions during the year. (3)	Discharges during the year. (4)	Amount on 31st March, 1944. (5)
	Rs.	Rs.	Rs.	Rs.
I.—Public Debt— <i>concl'd.</i>				
B.—Debt raised in England— <i>concl'd.</i>				
PERMANENT DEBT— <i>concl'd.</i>				
(i) Loans bearing Interest				
— <i>concl'd.</i>				
Capital portion of Annuities created in purchase of Railways— <i>concl'd.</i>				
Liability for British Government 5 per cent. War Loan (1939-47) taken over by India	20,62,25,705	..	..	20,62,25,705
(ii) Loans not bearing Interest—				
India 3½ per cent. Stock, 1931 or after	1,29,84,263	..	96,63,206	33,21,057
India 5 per cent. Stock, 1942-47	1,83,639	..	1,18,327	71,342
Bombay, Baroda and Central India Railway 3½ per cent. Debenture Stock, 1940 or after	1,18,30,920	..	1,16,13,147	2,17,773
East Indian Railway 3½ per cent. Debenture Stock ..	8,47,42,237	..	8,10,63,200	36,79,067
Great Indian Peninsula Railway 3½ per cent. Debenture Stock	4,16,67,760	..	4,10,90,347	5,77,413
India 5½ per cent. Stock, 1932	24,000	..	..	24,000
India 6 per cent. Bonds, 1932	6,000	..	..	6,000
India 6 per cent. Bonds, 1933	1,333	..	..	1,333
Total Debt raised in England ..	87,88,27,958	(b) 5,32,387	19,65,57,745	68,28,02,600
Total Public Debt	(a) 11,04,58,49,753	9,83,58,87,023	8,97,60,57,745	11,90,56,79,037
II.—Unfunded Debt—				
Special Loans	1,45,16,816	..	4,295	1,45,12,521
Treasury Notes	71,619	..	..	71,619
Deposits of Service Funds—				
Indian Civil Service Family Pension Funds	1,37,28,670	7,05,192	6,59,875	1,37,73,987
Indian Military Service Family Pension Fund	2,07,06,772	8,83,177	16,24,588	1,99,65,361
Indian Military Widows' and Orphans' Fund	26,94,653	2,30,891	1,01,884	28,23,650
Madras Military Assistant Surgeon's Fund	(a) 4,26,566	15,150	12,220	4,29,496
Bengal Uncovenanted Service Family Pension Fund	37,94,505	2,59,478	5,78,315	34,75,638
Bengal and Madras Service Family Pension Fund	(a) 17,36,998	72,832	1,61,270	16,48,560
Bombay Family Pension Fund of Government Servants	(a) 28,80,423	2,33,493	2,72,100	28,41,816
Savings Bank Deposits—				
Post Office Defence Savings Bank Deposits	40,57,793	3,63,29,723	1,38,330	4,02,49,186
Post Office Savings Bank Deposits	(a) 52,21,82,627	36,14,87,131	24,18,90,557	64,17,79,201

(a) Differs from the last year's closing balance by reason of corrections since made.

(b) Represents liability assumed by the Secretary of State on the termination of the contract with the South Indian Railway. This amount has not been treated as Permanent Debt, incurred during the year in Account No. 1.

No. 3.—STATEMENT OF DEBT AND OTHER INTEREST BEARING OBLIGATIONS SHOWING THE ADDITIONS TO, AND DISCHARGES OF DEBT, ETC., DURING THE YEAR, AND THE AMOUNT OF DEBT, ETC., AT THE COMMENCEMENT AND CLOSE OF THE YEAR—*concl'd.*

Description of Debt. (1)	Amount on 1st April, 1913. (2)	Additions during the year. (3)	Discharges during the year. (4)	Amount on 31st March, 1944. (5)
	Rs.	Rs.	Rs.	Rs.
II.—Unfunded Debt—<i>concl'd.</i>				
Post Office Certificates—				
Post Office Cash Certificates ..	(a)34,58,44,443	5,50,27,195	5,43,23,855	34,65,47,783
Post Office Ten Year Defence Savings Certificates ..	5,55,58,720	2,42,66,430	1,01,58,960	6,96,66,190
Post Office Twelve Year National Savings Certificates ..	..	8,66,00,290	55,830	8,65,44,460
State Provident Funds—				
State Railway Provident Insti- tution ..	(a)52,51,43,763	5,73,83,105	3,73,23,825	54,52,03,043
Companies' Railways Provident Fund ..	(a)16,43,12,219	2,04,60,865	1,33,93,360	17,13,79,724
General provident Fund ..	(a)10,16,95,952	1,44,43,763	99,73,800	10,61,65,915
Indian Civil Service Provident Fund ..	(a)27,79,740	3,16,540	3,73,922	27,22,358
Indian Civil Service (Non-European Members) Provident Fund ..	(a)91,266	21,027	4,511	1,07,782
Defence Savings Provident Fund ..	(a)1,27,93,344	60,76,981	7,12,288	1,81,58,037
Defence Savings Provident Fund (Railways) ..	(a)14,93,659	8,18,333	77,475	22,34,517
Defence Service Officers' Provi- dent Fund ..	75,37,814	22,34,651	3,78,732	93,03,733
Indian Ordnance Department Provident Fund ..	89,91,876	11,87,543	5,94,266	95,85,153
Military Engineer Services Provi- dent Fund ..	48,598	7,595	3,656	52,537
Contributory Provident Fund ..	(a)63,53,024	62,03,568	7,38,820	1,18,17,772
Other Miscellaneous Provident Funds ..	(a)83,93,044	26,72,411	4,53,361	1,06,12,094
Other Accounts—				
General Family Pension Fund ..	11,644	7,622	10,000	9,266
Hindu Family Annuity Fund ..	(a)2,29,702	3,33,032	3,58,695	2,04,039
Bombay Family Pension Fund of Government Servants, Life Assurance Branch ..	8,572	6,874	13,051	2,395
Bengal Christian Family Pension Fund ..	3,542	20,428	21,719	2,251
Postal Insurance and Life Annuity Fund ..	(a)10,13,69,573	1,11,88,840	72,34,337	10,53,24,076
Staff Benefit Fund ..	9,02,309	14,40,535	7,92,071	15,50,773
Cemetery Endowment Fund ..	(a)8,18,588	37,849	361	8,56,076
Technical Trainees Benefit Fund	56	17	..	73
Indian Railway Conference Associa- tion Employees' Provident Fund ..	(a)6,86,298	85,686	40,073	7,31,911
Eastern Group Sleeper Control Provident Fund ..	(a)2,15,978	23,009	4,523	2,34,464
Sind, Punjab and Delhi Railway Clergy Endowment Fund ..	10,006	6,230	..	16,236
Total Unfunded Debt	(a)1,93,20,91,172	69,10,87,486	38,24,84,925	2,24,06,93,733
TOTAL—DEBT AND OTHER INTEREST BEARING OBLIGATIONS ..				
	(a)12,97,79,40,925	10,52,69,74,515	9,35,85,42,670	14,14,63,72,770

(a) Differs from last year's closing balance by reason of corrections since made.

No. 4.—STATEMENT OF LOANS AND ADVANCES SHOWING THE AMOUNTS ADVANCED AND REPAYED, INTEREST RECEIVED DURING THE YEAR AND THE BALANCES OF SUCH LOANS AND ADVANCES AT COMMENCEMENT AND CLOSE OF THE YEAR.

Major Heads and Minor Heads.	Balance on 1st April 1943. (2)	Amount advanced during the year. (3)	Total. (4)	Amount re- paid during the year. (5)	Balance on 31st March, 1944. (6)	Interest received and credited to Revenue. (7)
(1)	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Advances to Provincial Governments—						
Madras	5,94,81,109	45,00,000	6,39,81,109	1,30,27,454	5,09,53,655	23,88,904
Bombay	25,64,87,187	3,00,000	25,67,87,187	4,19,09,533	21,48,80,654	1,13,65,272
Bengal	3,99,84,800	11,44,03,000	15,43,90,800	6,03,81,210	10,38,09,600	12,97,536
United Provinces	24,22,93,782	1,15,00,000	25,37,93,782	1,41,55,551	23,96,38,231	96,74,822
Punjab	23,47,51,057	..	23,47,51,057	12,71,57,977	10,75,93,080	75,10,326
Central Provinces and Berar	2,61,59,628	31,57,937	2,93,27,565	53,22,008	2,40,05,557	10,65,567
North-West Frontier Province	2,00,000	..	2,00,000	2,00,000	..	..
Assam .. .. .	..	9,01,500	9,01,900	..	9,01,900	..
Orissa .. .. .	..	14,82,300	14,82,300	..	14,82,300	..
Sind	25,13,61,841	..	25,13,61,841	79,36,836	24,34,24,955	1,07,70,148
Coorg	1,20,861	..	1,20,861	60,431	60,430	3,026
Total	1,11,11,50,265	13,62,48,137	1,24,73,98,402	26,03,18,010	98,70,80,392	4,41,76,261
Advances to Crown Representative	(a) 24,19,464	4,87,198	29,03,662	12,01,808	17,01,794	60,548
Loans to Indian States	(a) 8,04,20,084	9,15,000	8,13,35,084	2,07,88,740	6,05,46,344	2,62,992
Loans to Local Funds—						
Loans to Major Port Trusts and Port Funds	6,99,02,450	..	6,99,02,450	1,02,42,400	6,96,60,050	31,75,170
Loans to Municipalities	81,15,962	..	81,15,962	18,95,029	62,20,933	2,81,158
Regimental and other Loans	(a) 62,46,913	72,08,508	1,34,55,781	18,869	1,34,36,912	1,22,137
Loans to District and other Local Fund Committee	73,39,647	..	73,39,647	14,23,340	59,16,307	2,52,817
Loans to Landholders and other Notabilities	32,705	..	32,705	6,306	20,399	1,230
Advances to Cultivators	(a) 23,57,119	4,61,075	28,18,194	6,75,174	21,43,020	52,318
Advances under Special Laws	42,48,428	5,29,000	47,77,428	86,207	46,91,221	2,23,550
Miscellaneous Loans and Advances	(a) 56,88,878	16,03,290	72,92,168	1,37,738	71,54,430	2,52,803
Total	(a) 10,39,32,102	98,02,233	11,37,34,335	1,44,83,063	9,92,49,272	43,61,243
Loans to Government Servants—						
House building advances	1,450	2,702	4,152	1,921	2,231	977
Advances for the purchase of motor cars	(a) 34,748	38,535	73,283	34,791	38,492	343
Advances for the purchase of other conveyances	(a) 7,04,155	10,87,020	17,91,175	9,39,330	8,51,845	15,716
Passage advances	(a) 16,494	4,876	21,370	10,770	10,600	1,202
Other advances	(a) 51	..	51	—149	200	5
Total	(a) 7,56,898	11,33,133	18,90,031	9,86,663	9,03,368	18,243
GRAND TOTAL	(a) 1,29,86,78,813	14,85,85,701	1,44,72,64,514	29,78,13,374	1,14,94,51,140	4,88,79,287

(a) Differs from last year's closing balance by reason of corrections since made.

A	PAGES.	A—con'd.	PAGES.
Abstract of Receipts and Disbursements	34	Advances under Special Laws	174
Account of Anticipatory Deposits made after Provisional Assessment of Excess Profits Tax	111	Agriculture	49, 66
Account of Compulsory Deposits of Excess Profit Tax under Ordinance No. XVI of 1943	111	Annuity fund of Fattah Ullah Khan	96
Account of Expenditure by minor heads	53	Appropriation for Reduction or Avoidance of Debt	6, 60, 183
Account of Payment in respect of Provisional Assessment of Excess Profits Tax made under Section 14-A of Excess Profits Tax Act, 1940	135	Appropriation for the maintenance of Madho Rao	96
Accounts—Main division of	2	Appropriation to Renewal Reserve Fund for Permanent Way and Rolling Stock	108
Account of Optional Deposits of Excess Profit Tax under Indian Finance Act, 1942	111	Audit	61
Account of Revenue by minor heads	41	Aviation	50, 67
Accounts between Departments	185	B	
Account current with Indian States	143		
Account current with Polish Government	143	Balance of Coorg	136
Accounts with Foreign Governments and Indian States	147	Balance with Sub-accountants	164
Accounts with His Majesty's Imperial Government	146	Balances and Reserves	3
Accounts with the Burma Railway Board	150	Balances in England	87, 83
Accounts with the Government of Burma	150, 162	Balances in India	87, 83
Account with the High Commissioner for India	164, 186	Balances in India and England (Combined)	97
Account with the Secretary of State	164, 186	Baluchistan Suspension	182
Accounts with Provinces, etc.	185	Bengal and Madras Service Family Pension Fund	97
Accounts with the Reserve Bank	150	Bengal Christian Family Pension Fund	104
Adjusting Account between Central and Provincial Governments	183	Bengal and North-Western Railway Debenture Stock	163
Adjusting Account with Railways	185	Bengal Uncovenanted Service Family Pension Fund	97
Administration of Justice	47, 61	Bombay Family Pension Fund of Government Servants	97, 104
Advance credit on account of Central transactions in non-bank Provincial treasuries and sub-treasuries	159	Bombay Land Scheme—Capital Outlay on	82
Advances—		Bonus on Loans	159
Repayable, Recoverable 140 142, 143, 145, 167		Borrowings—Statement of	21
Civil	141	Broadcasting	50, 67
Defence	143	Bronze (and Copper) Coinage Accounts	152
England	145	Bullion Advances for Coinage	152
Forest	141	Bushire Suspension	153
House building	176, 177	C	
Objection Book	141		
Other	141	Capital contributed by Railway Companies towards outlay on State Railways	75, 80
Permanent	143	Capital Expenditure outside the Revenue Account during and to end of the year	79
Posts and Telegraphs	142	Capital Expenditure within the Revenue Account	39, 68, 71
Proper	143	Capital Outlay on—	
Salt and Excise	142	Bombay Land Scheme	82
Special	141	Broadcasting	68
Advances for the purchase of motor cars	176	Civil Aviation	68
Advances for the purchase of other conveyances	176, 177	Currency	82
Advances for Survey Operations	141	Currency Note Printing Press	82
Advances from Military Treasure Chests	145	Defence	82
Advances not bearing interest	7, 139, 189	New Capital at Delhi	75, 82
Advances to Crown Representative	30, 169	Payments of Commuted value of Pensions	76, 82
Advances to cultivators	173	Posts and Telegraphs	57, 75, 81
Advances to electrical undertakings for A. R. P. measures	160	Salt Works	55
Advances to Indian States	30	Schemes of Agricultural Improvement and Research	82
Advances to Provincial Governments	30, 169	Security Printing Press	79
		Schemes connected with the War, 1939	76, 77, 78, 83
		Vizagapatam Port	82

C—*con'd.*

PAGES.

Capital Account of Irrigation, Navigation, Embankment and Drainage Works outside the Revenue Account ..	75, 80
Capital and other expenditure ..	192
Capital Account of Irrigation, Navigation, Embankment and Drainage Works, within the Revenue Account ..	57
Capital Outlay outside the Revenue Account	15, 39, 40, 74
Cash Balance	27, 187
Cash Balance Investment Account ..	159
Cash Certificates, Post Office Five Years ..	99
Cash Certificate, etc.—Overpayments ..	142
Cash remittances and adjustments between officers rendering accounts to the same Accountant General or Comptroller	180
Cash remittances between treasuries ..	180
Cemetery Endowment Fund ..	105
Central Adjusting Account ..	183
Central Excise and Salt Suspense ..	153
Central Excise Duties	41, 53
Central Road Fund	6, 114
Certificate of the Auditor General of India ..	1
Charges on account of Motor Vehicles Act ..	55
Charges of the Northern India Salt and Central Excises Department ..	53
Cheques and Bills	165
Civil Administration	37, 47, 60
Civil and Criminal Courts Deposits ..	124
Civil Aviation, Capital Outlay on ..	68
Civil Aviation Fund	6, 115
Civil Defence	52, 74
Civil Department Advances	175
Civil Departmental B. lances	163
Civil Deposits	7, 120
Civil Works	51, 69
Civil Works and Miscellaneous Public Improvements	51, 69
Closing Balance	8, 34, 191
Coinage Accounts	151
Colonial and other Foreign Governments ..	148
Commercial Departments, General Statement of financial results of ..	16
Commutation of Pensions financed from Ordinary Revenues	71
Commuted value of Pensions, Payments of	76, 82
Companies Liquidation Accounts ..	127
Companies' Railways Provident Fund ..	102
Construction of Irrigation Navigation, Embankment and Drainage Works ..	57, 75, 80
Construction of State Railways—Commercial	74, 79
Strategic	75, 80
Contributions and miscellaneous adjustments between Central and Provincial Governments	38, 72
Contributory Provident Fund	103
Co-operation	49, 66
Coorg Suspense	182
Corporation Tax	41, 53
Cost of air raid precaution equipment purchased centrally	160
Cost of reserve stock of equipments for training of war technicians	167

C—*concl'd.*

PAGES.

Currency	38, 50, 68
Currency Capital Account	75, 82
Currency Note Printing Press	68, 82
Customs	41, 53
Customs duties on foreign mail articles ..	142
D	
Dead Savings Bank Accounts	128
Debt	188
Debt position, Review of	21
Debt Services	4, 36, 47, 58
Decreases of Expenditure	11
Debt, Deposits and Remittance Accounts ..	86
Defence Capital Expenditure	76, 82
Defence Receipts	38, 52
Defence Reserve Fund	114
Defence Savings Provident Fund	102
Defence Savings Provident Fund—Railways ..	103
Defence Services	38, 52, 71, 76
Defence Services Cash Balance	166
Defence Services Deposits	130
Defence Service Equalisation Fund	114
Defence Services Officers' Provident Fund ..	103
Defence Services Renewals Reserve Fund ..	117
Defence Suspense	161
Deferred pay to Indian Troops	136
Departmental Adjusting Account	159
Departmental and Similar Accounts	165
Deposit account of Central surcharge funded for the benefit of Assessee under the Indian Finance Act, 1942	135
Deposit account of the Dangs	134
Deposit account of Excess Profit Tax refundable to Assessee under the Indian Finance Act, 1942	134
Deposit account of the Grant made for the benefit of Cotton growers ..	135
Deposit account of Grants for Economic Development and Improvement of Rural Areas	134
Deposit account of Grants made by the Imperial Council of Agricultural Research	134
Deposit account of the Grant made by the Indian Central Committee	135
Deposit account of Grants from the Central Government for the Development of Handloom Industries ..	134
Deposit account of interest on Excess Profit Tax Deposits	135
Deposit account of Khasi Hill State	135
Deposit on account of moneys received on account of King-Emperor's Anti-Tuberculosis Fund	126
Deposit account of Railway freight for Kharaghoda salt	120
Deposits on account of undischarged pay of Government servants falling into enemy hands	128
Deposits bearing interest	61, 107, 188

Index

	PAGES.		PAGES
D—concl'd.		E	
Deposits against Dollar payments made by the British Purchasing Commission, America	128	Ecclesiastical	63
Deposits and Advances	6, 106, 183	Education	48, 65
Deposits not bearing interest	6, 111, 183	Endowment by the late King of Oudh	96
Deposits obtained for lease/lend stores	128	Endowment for charitable and educational institutions	96
Deposits obtained on non-lease/lend (imported) stores	128	English Stores Suspense	159
Deposits of—		Equalization Fund, Defence Services	114
Branch Line Companies	7, 119	Eastern Group Sleeper Control Provident Fund	105
Coffee Cess Fund	126	Excess debit or short credit of customs duty realisation	142
Cotton Cess Fund	126	Expenditure connected with the War, 1939	72, 73
Defence Loans	127	Expenditure Decrease of	11
Fees received by Government servants for work done for private bodies	126	Expenditure, Increase of	10, 11
Lac Cess Fund	126	Expenditure in connection with internees	167
Lawrence Military Asylum, Mount Abu	96	Expenditure in connection with the maintenance of Japanese Consular Officials	167
Local Funds	7, 118	Expenditure on British subjects (other than Indians) evacuated to India	167
Money received for H. E. the Viceroy's War Purposes Fund	127	Expenditure on evacuees from war zones	167
Service Funds	6, 97	Expenditure on Revenue Account	5, 34, 40
Surplus of estates of deceased officers, deserters and others of the Indian Army	127	External Affairs	64
Tea Cess Fund	125	Extraordinary Charges	72
Deposits for work done for Indian States public bodies, or private individuals	127	Extraordinary Items	38, 52, 72, 76
Deposits for relief of distress of Indian British subjects in enemy countries	138	Extraordinary Receipts	52
Deposits in connection with the purchase of Egyptian Cotton	135	F	
Deposits on account of enemy property	138	Family Pension Fund—	97
Deposits on account of money received for Indian Red Cross Society and St. John Ambulance Association for War work	127	Bengal and Madras Service	104
Deposits on account of money received for St. Dunstan's Hospital for blinded soldiers and sailors, etc.	127	Bengal Christian	97
Deposits on account of Police Fund	126	Bengal Uncovenanted Service	104
Deposits on account of revenue collected on behalf of H.H. the Khan of Kalat	127	Bombay Government Servants (Life Assurance Branch)	104
Deposits towards payment of Income-Tax	111	General	97
Deposits towards payments of Excess Profits Tax	111	Indian Civil Service	98
Deposit with H. M. Exchequer in respect of Railway Annuities	163	Indian Military Service	70
Depreciation Reserve Fund—		Famine	130
Government Presses	7, 116	Field Deposits	31
Lighthouses and Lightships	109	Financial position, Summary of	19
Railways	108	Financial results of—	18
Vizagapatam Port	119	Irrigation Works	16
Detailed Account of Expenditure by minor heads	53	Posts and Telegraphs Department	129
Detailed Account of Revenue by minor heads	41	Railways	129
Direct Demands on the Revenue	4, 34, 53	Fixed Deposits	5, 21, 27, 91
Disbursements under Debt Deposits and Remittance heads treated as expenditure	40	Floating Debt	125
Discount on issue of India Loans	162	Food Department Deposits	129
Discount on Treasury Bills	158	Foreign Money Orders	48, 55
Discount Sinking Fund	159	Forest	141
District Administration	61	Forest Advances	125
		Forest Deposits	182
		Forest Remittances	182
		Fund for—	
		Benefit of Cotton growers	7, 116
		Development of Broadcasting	7, 116
		Development of Civil Aviation	6, 116
		Economic Development and Improvement of Rural Areas	6, 116
		Relief of Groundnut cultivators	7, 115
		Special Frontier Expenditure including Development	7, 116

PAGES

PAGES

G

I—concl'd.

General Abstract of Receipts and Disbursements	34
General Administration	60
General Family Pension Fund	104
General Provident Fund	102
General Reserve Fund, Lighthouses and Lightships	109
General statement of balances	87
General statement of financial results—	
(i) Railways	16
(ii) Posts and Telegraphs	18
(iii) Irrigation	19
Government Account—	
India	88
England	89
India & England (Combined)	90
Government Presses, Depreciation Reserve Fund	116
Grants-in-aid to Provincial Governments	72
Guarantees given by the Central Government in respect of Loans raised by Provincial Governments, Railway Companies, local bodies, etc.	31
H	
Heads of Provinces	60
Hindu Family Annuity Fund	104
House building Advances	176, 177

I

Imperial Institute of Agricultural Research, Transfer of	82
Important variations from Budget Estimates	9
Increases of Expenditure	10, 11
Increases of Revenue	9
Indian Civil Service Family Pension Fund	98, 163
Indian Civil Service (Non-European Members) Provident Fund	102
Indian Civil Service Provident Fund	102
Indian Military Service Family Pension Fund	98, 163
Indian Military Widows' and Orphans' Fund	97, 163
Indian Ordnance Department Provident Fund	103
Indian Postal Orders	129
Indian Railway Conference Association Employees' Provident Fund	105
Indian Research Fund	126
Industries	49, 66
Initial Expenditure on New Capital at Delhi	75, 82
Interest	47, 58
Interest on works for which Capital Accounts are kept	56
Interest-free Loans	93
Interest on Debt and other Obligations	27, 58
Introductory	2, 86
Investment from Cash Balance	163
Irrigation	45, 56
Irrigation, Navigation, Embankment and Drainage Works for which Capital Accounts are kept,	36, 45, 56

Irrigation, Navigation, Embankment and Drainage Works for which no Capital Accounts are kept	36, 46, 57
Irrigation—Productive Works	19, 45, 75, 80
Irrigation—Unproductive Works	20, 46, 75, 81
Irrigation Works	57, 80
Irrigation Works, Financial results of	19

J

Jails and Convict Settlements	47, 62
-------------------------------------	--------

L

Land Revenue	42, 54
Lawrence Military Asylum, Mount Abu, Deposits of	93
Lawrence Memorial Asylum at Murree	97
Legislative Bodies	60
Lighthouses and Lightships	48, 62
Lighthouses and Lightships—	
Depreciation Reserve Fund	109
General Reserve Fund	109
Lloyd Barrage and Canals Construction	19
Loans and Advances by the Central Government	8, 30, 169, 190
Loans bearing Interest	92, 94
Loans, Interest-free	93
Loans not bearing Interest	92, 95
Loans to—	
Branch Line Companies	108
District and other Local Fund Committees	173
Government Servants	30, 174
Indian States	30, 169, 170
Landholders and other Notabilities	169, 173
Local Funds	30, 172
Major Port Trusts and Port Funds	173
Municipalities	173

M

Madras Military Assistant Surgeons' Fund	97
Madras Perpetual Loans	96
Main Divisions of Account	2
Medical	49, 65
Military Engineer Services Provident Fund	103
Mint	38, 50, 68
Mint Profit Account	152
Mint Remittances	182
Miscellaneous	7, 38, 51, 70, 71, 129, 131, 163
Miscellaneous adjustments between Central and Provincial Governments	72
Miscellaneous Capital Account outside the Revenue Account	76
Miscellaneous Departments	50, 67
Miscellaneous Loans and Advances	174
Miscellaneous Provident Funds	103
Miscellaneous Remittances	180
Miscellaneous Railway Expenditure	56
Miscellaneous Railway Receipts	45
Money Orders	179

N	PAGES.	P—concl'd.	PAGES.
Navigation Embankment and Drainage Works 57 Navy Bills Receivable 145 New Capital at Delhi, Initial Expenditure on 75, 82 Nickel Coinage Account 152 Non-voted and Voted expenditure, Statement showing distribution of .. 40 Non-Civil Department Advances .. 177 Northern India Salt Revenue—Renewals Reserve Fund .. 109		Posts and Telegraphs Remittances .. 182 Posts and Telegraphs Renewals Reserve Fund .. 6, 109 Posts and Telegraphs—Revenue Account .. 57 Posts and Telegraphs Suspense .. 160 Post Office Ten Year Defence Savings Certificates .. 99 Post Office Twelve Year National Savings Certificates .. 99 Post War Reconstruction Fund .. 136 Principal Heads of Revenue .. 4, 34, 41 Principal sources of funds .. 192 Productive works .. 19 Profits from circulation of Nickel, Bronze and Copper coins .. 160 Provident Funds—	
O		Companies' Railways .. 102 Contributory .. 103 Defence Savings .. 102 Defence Services Officers .. 103 Eastern Group Sleeper Control .. 105 General .. 102 Indian Civil Service .. 102 Indian Civil Service (Non-European Members) .. 102 Indian Ordnance Department .. 103 Military Engineer Services .. 103 Other Miscellaneous .. 103 Railway Conference Association Employees, Indian .. 105 Provident Institution, State Railways .. 102 Provident Societies Liquidation Accounts .. 128 Provincial Excise .. 42, 54 Public Debt .. 5, 34, 91, 188 Public Health .. 49, 65 Public Works Deposits .. 125 Public Works Remittances .. 182 Purchases and Sales of Silver .. 7, 164 Purchase of Indian Municipal, etc., Stock .. 163 Purchase of India Stock, Premium, etc. .. 163 Purchase of Railway Stock .. 163 Purchase of reserve stock of tear smoke equipment .. 160	
P		Q	
Panth Piploda Reserve Fund .. 116 Panth Piploda Reserve Fund Investment Account .. 116 Passage Advances .. 145, 176 Payments of Commuted value of Pensions .. 76, 82 Payments to Crown Representative .. 63 Payments to Reserve Bank of India under Section 46 of the Reserve Bank of India Act .. 82 Payment made to the Reserve Bank for loss of currency due to enemy action .. 163 Permanent Advances .. 143 Permanent Debt .. 5, 21, 91, 94 Personal Deposits .. 124 Pilot Service .. 48, 62 Police .. 48, 62 Political Agents' Deposits .. 125 Ports and Pilotage .. 48, 62 Postal Insurance and Life Annuity Fund .. 104 Post Office Cash Certificate Bonus Fund .. 6, 114 Post Office Certificates .. 6, 26, 99 Post Office Defence Savings Bank Deposits .. 99 Post Office Defence Savings Certificates Bonus Fund .. 114 Post Office Savings Bank Deposits .. 6, 98 Post and Telegraphs .. 36, 46, 57 Posts and Telegraphs—Capital Account .. 57, 75 Posts and Telegraphs Cash Balances .. 166 Posts and Telegraphs Deposits .. 128 Post Office Five Year Cash Certificates .. 99 Post and Telegraphs, General statement of financial results of .. 18		Quaternary Coinage Account .. 153 Quaternary Rupee coin balances .. 154	
		R	
		Railway Suspense .. 161 Railways— Capital Account Outside the Revenue Account .. 74 Defence Savings Provident Fund .. 103 Depreciation Reserve Fund .. 6, 108 Eastern Group Sleeper Control .. 105 General Statement of financial results .. 16 Interest and Miscellaneous charges .. 4, 34 Loans to Branch Line Companies .. 108 Miscellaneous expenditure .. 56 Miscellaneous receipts .. 45	

R—concl'd.

	PAGES.		PAGES.
Railway—concl'd.		Salt	42, 53
Net Revenue	4, 34	Salt and Excise Advances	142
Reserve Fund	6, 107	Salt Remittances	180
Reserve Fund Investment Account	108	Savings Bank Deposits	26, 98
Revenue Account	35, 44, 56	Savings Bank Investment Account	160
Sind, Punjab and Delhi Railway		Scientific Departments	64
Clergy Endowment Fund	105	Secretariat and Headquarters Estab-	
Staff Benefit Fund	104	lishments	61
State	44, 56	Sections and heads of Accounts	2
Subsidised Companies	45, 56	Security Deposits	130
Technical Trainees Benefit Fund	105	Security Printing Press,—Capital Outlay	
Receipts and Disbursements,—General		on	79
Abstract of	34	Service of Debt	27
Receipts connected with the War, 1939	52	Shipping Masters' Deposits	125
Receipts from Indian States	51	Silver Redemption Reserve	6, 113
Receipts in aid of Superannuation	51	Silver Redemption Reserve Investment	
Receipts under Motor Vehicles Acts	43	Account	113
Recoveries of service payments	158	Sind, Punjab and Delhi Railway Clergy,	
Reduction or Avoidance of Debt	28	Endowment Fund	105
Registration	43, 55	Sinking Fund for Central Loans	6, 112
Regimental and other Loans (Defence)	173	Small Coin Depot Balances	153
Remittances	8, 179, 190	Small Coin Debt Remittances	182
Remittance account between England		Special Advances	141
and India	186	Special Loans	6, 96
Remittances adjusted on the Central		Staff Benefit Fund—Railways	104
Books	183	Stamps	43, 55
Renewals Reserve Fund.—Defence		Statement of borrowings	21
Services	117	Statement of Capital Expenditure outside	
Renewals Reserve Fund,—Northern		the Revenue Account during and	
India Salt Revenue	109	to end of the year	79
Renewals Reserve Fund,—Posts and		Statement of Debt and other interest	
Telegraphs	109	bearing Obligations showing the ad-	
Repatriation Deposits	127	ditions to and discharges of debt,	
Repatriation of Sterling Debt	25	etc., at the commencement and	
Repayment, Conversion and Cancell-		close of the year	199
ation of Loans	24	Statement of Loans and Advances show-	
Reserve Bank of India Remittances	183	ing the amount advanced and re-	
Reserve Bank Suspense	159	paid, etc.	199
Reserve Funds—		Statement showing Capital and other	
Defence	114	Expenditure (outside the Revenue	
Depreciation, Government Presses	116	Account) to end of the year and the	
Depreciation, Lighthouses and		principal sources from which funds	
Lightships	109	were provided for the at expenditure	192
Depreciation, Railways	108	Statement showing the distribution	
General, Lighthouses and Lightships	109	between Voted and Non-voted expen-	
Investment Account, Railways	108	penditure	40
Panth Piploda	116	State Provident Funds	27, 100
Renewals, Defence Services	117	State Railways—	
Renewals, Northern India Salt		Commercial Lines	44, 56, 79
Revenue	109	Strategic Lines	44, 56, 80
Renewals, Posts and Telegraphs	109	Working Expenses	44, 45
Railways	107	State Railway Cash Balances	166
Revenue	4, 9	State Railway Deposits	131
Revenue Account of Irrigation, Navi-		State Railway Provident Institution	102
gation, Embankment and Drainage		State Railways worked by Companies	
Works	56	and Indian States	80
Revenue and Expenditure by major		State Railways worked by the State	79
heads,—Summary of	35	Stationery and Printing	51, 70
Revenue—Deposits	124	Steel Deposits	125
Revenue,—Decrease of	9	Sterling Debt	21, 25, 91
Revenue—Increase of	9	Sterling Family Pension Funds	163
Revenue position of the Government	14	Subsidised Companies	45, 56
Revenue Receipts	5, 34	Subventions from Central Road Fund	134
Review of Debt position	21	Sugar Excise Fund	7, 115
Rupee Debt	21, 22, 91	Sugar (Temporary Excise) Fund	7, 115
		Summary of general financial position	31
		Summary of Receipts and Disburse-	
		ments by major heads	183

S—concl'd.		PAGES.	T—concl'd.		PAGES
Summary of Revenue and Expenditure by major heads		35	Trust Interest Account—Railways ..		131
Summary of the transactions of the year under report		4	Trust Interest Fund		125
Superannuation Allowances and Pensions		70	Transactions connected with the War, 1939		7,137, 167
Superior Services (India) Family Pension Fund (Transferred) ..		163	Transactions connected with Burma notes		164
Supply Department Deposits ..		125	U		
Suspense	7, 155, 190		Unclaimed Provident Fund Deposits	126, 129, 130	
Suspense Accounts	156, 162		Unclaimed Savings Bank Deposits of less than Rs. 2	129	
Suspense,—Posts and Telegraphs ..	160		Unfunded Debt	6, 21, 26, 96, 188	
Suspense,—Railways	161		Unproductive Works	20	
T			V		
Taxes on Income other than Corporation Tax	41, 53		Value of one rupee notes issued ..	160	
Technical Trainees Benefit Fund ..	105		Variations from Budget Estimates,—Important	9	
Trade Charges Money Orders	160		Veterinary	49, 66	
Transfer between Officers of Military Engineer Services	182		Village Collection Savings Account ..	111	
Transfers between Public Works Officers	180		Vizagapatam Port,—Capital Outlay on Voted and Non-voted expenditure,—Statements showing distribution of	82	40
Transfer between Supply Accounts Officers	182		W		
Transfer between Railways	186		War,—Expenditure connected with ..	72	
Transfer of cash between England and India	8, 191		War Injuries Compensation Insurance Fund	138	
Transfer to Railway Reserve Fund ..	56		War,—Receipts connected with ..	52	
Treasury Notes	97		War Risks (Goods) Insurance Fund ..	138	
Tribal Areas	63		War Risks (Factories) Insurance Fund	138	
Troops Amenities Fund	130		Works	51, 69	
Trunk Call Deposits	129				
Trust Interest Accounts	129, 130				

